

# CHAPTER- I

## INTRODUCTION

### 1.1 Background of the Study

Advertising is the most notable and easily identified form of promotion in international as well as domestic marketing. It is also a most widely used promotional mix. It is a form of mass communication, a powerful marketing tool, a component of economic system, a means of financing the mass media, a social institution, an art form, and an instrument of business management.

Advertisings are a part of everyday life. It is difficult to escape them, even if we never watched T.V or listened to the radio or read newspaper or magazines. We would still be bombarded with advertisements through billboards at bus parks, cross way, posters in shops and offices and pamphlets in the wall.

A product, service and idea can be presented and promoted in a variety of ways and advertising is only of them. Advertising influences consumer attitudes and purchase behavior in a variety of consolidated manner. It has multiple objectives and roles in persuading the consumers. The techniques of advertising may be directed by one or more objectives of advertising depending upon the situation.

The American Marketing Association, Chicago, define advertising as "any paid form of non-personal presentation of ideas, goods and services by an identified sponsor" (Chunawlla and Sethia; 1998:5) .

"Advertising is paid form of non-personal presentation and promotion of ideas, goods or services by an identified sponsor" ( Kotler; 2002:578).

This definition emphasis to communicate the information consists with products, services and ideas for the purpose of presenting and promoting them which is designed by the related expert from the side of owner and paid some changes instead of using various media, which is non-personal.

"Advertisement is a message composed by the advertiser to persuade who ever receives it to accept an idea, buy a product or take some other action desired"(Chunawalla and Sethia, 4<sup>th</sup> revised edition).

"Advertising is the non-personal communication of information usually paid for and usually persuasive in nature about products, services or ideas by identified sponsor through the various media" (Bovee and William;1986:2).

Generally the aim of advertising is to sell a product (toothpaste, tea, perfume, soap) or services(restaurants, entertainment), but there are also advertising in its modern sense is the persuasive force that makes use of mass communication media and is aimed to change customer attitude or patterns in a direction favorable to the advertiser. A general theoretical model seeks to identify a step- wise behavioral progression of a potential buyer or non-buyer towards buying action .This is the step-wise progression from awareness to action, which is presented in the diagram.

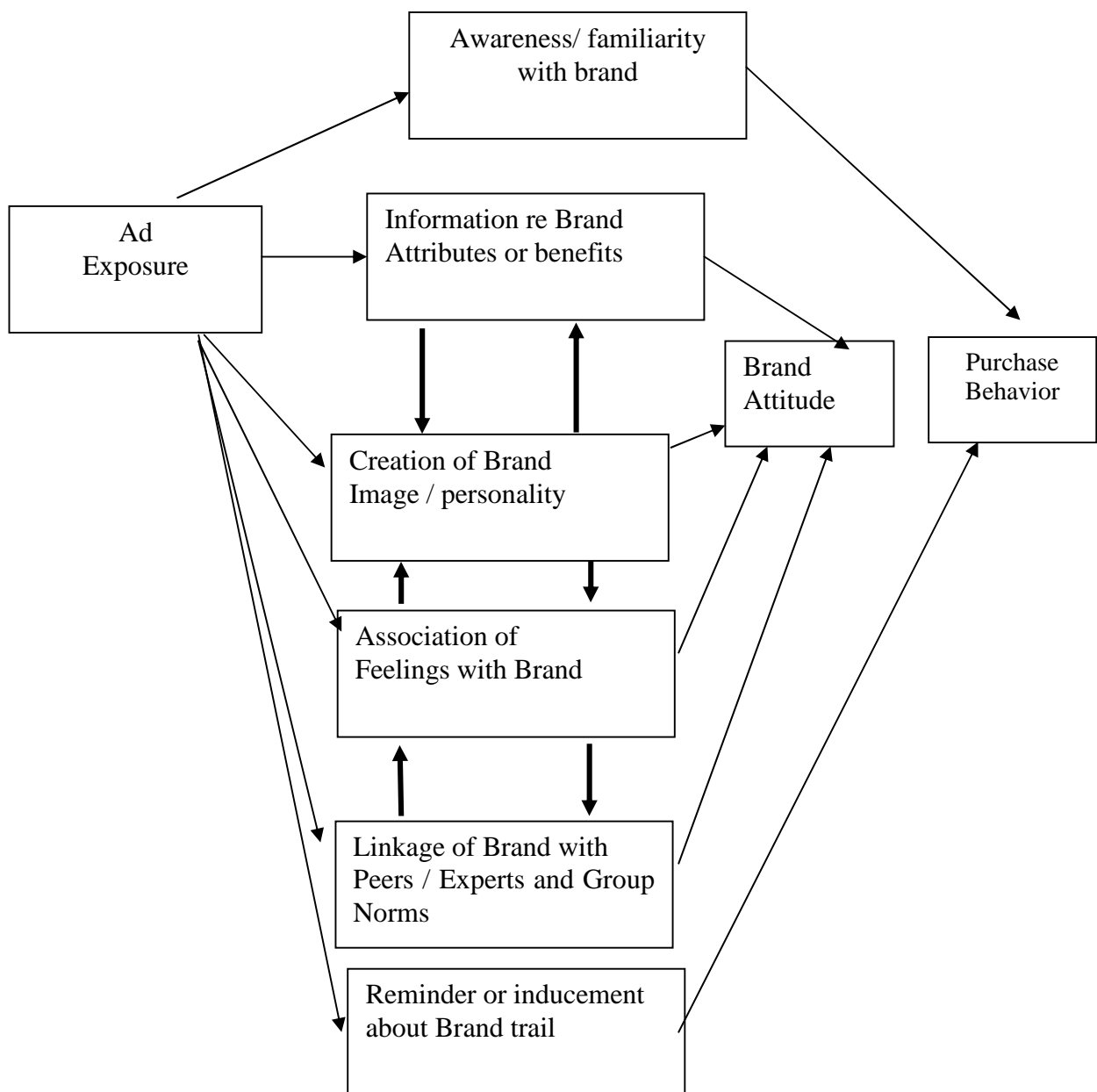
**Fig No. 1.1. The Advertising Pyramid**



This model shows that actual purchase occurs as a result of advertising, but in reality, many other factors also affects on it. Sometimes advertising can do its job and bring the customer to the retail outlets, but if the retail out let doesn't have stocks of products, purchase may not result. Advertising stimulates the potential buyers to go to the store to

buy actual advertised products. In general, advertising is done in expectation of tangible gains, such as favorable attitudes, better image of the firm and increased sales. Marketing Manager decides the techniques of advertising depending upon the situation and also blend all promotional tools-advertising, publicity, sales promotion and personal selling, to arrive at a right mix. Each of the promotional tools have got unique characteristic and complementary.

**Fig No. 1.2 A Model of Communication/ Persuasion Process**



Source: Jajeev Batra, John G.Myers and David A. Aaker, Advertising Management, 1999.

This figure 1.2 presents another model of the communication and persuasion process that shows the various process that can occur after consumers are exposed and advertisement.

First, exposure to the advertisement can create awareness about the brand, leading to a feeling of familiarity with it. Second, information about the brand's Benefits and the attributes on which the benefits are based can register with the consumer can also result from exposure to the ad. Third, advertisements can also generate feelings in an audience that they begin to associate with the brand or its consumption devices. Fourth, through the choice of the spokesperson and various exceptional devices, the advertisement can led to the creation of an image for the brand, often called "Brand personality"

Fifth, the advertisement can create the impression that the brand is favored by consumer's peers or experts- individuals and group the consumer likes to emulate. This is often how products and brands are presented as being fashionable. These five effect can create a favorable liking or attitude, towards the brand , which turn should lead to purchasing action sometimes the advertiser will attempt to spur purchasing action directly by providing a reminder or by attacking reasons why the consumer way be postponing that action.

It is true that sometimes the effect of advertising cannot be measured directly in terms of sales. Therefore advertising objectives could be stated in terms of communication goals, such as awareness of the product or brand or favorability of attitude towards it. This assumption relates to sales stated in term of communication measurement such goals can always be possible.

A company can create good and effecting stimuli through advertising. A consumer may impress himself by advertising and then motivate himself to purchase goods. Advertising is only one among the other several tools which businessman have used for countries to assist them in getting their aware into the hands of consumer. Its early use was distinctly a minor supplement to other form of selling. Perhaps some of advertising has existed as long as we have buying and selling

The history of advertising, we have found it during the mid time of 15<sup>th</sup> century, where sign over shops and stalls seem naturally to have been the first effort in the direction of advertisement. After the innovation of moveable type by Johannes Gutenberg in 1440, it

made possible new advertising media and the first form of mass advertising including printed posters, handbills and newspaper advertisement.

The history of advertising in Nepal has not been so long as well as world. First authorized advertisement in Nepal was printed in 1918 B.S It has grown up after the publication of "Gorkha Patra" on Baisakh, 1958 B.S. Now different daily newspaper, weekly, monthly magazines, journals are publishing in Nepal. There are many Frequency Modulation (FM) Radio station and TV channels are available for advertising. It gives the boost to the advertising and shows better future as well as present.

The word brand is comprehensive term, and it includes other, narrower term. "A brand is a name, term, symbol or design or a combination of them, intended to identify the goods or services of one seller or group of sellers and to differentiate them from those of competitors."<sup>5</sup> (Adapted from marketing definitions, A Glossary of Marketing terms, American Marketing Association, Chicago; 1960:8). A brand name consists of words letters and numbers that can be vocalized.

"A brand identifies the seller or marketer. It can be name, trademark, logo or other symbol. Under trademark law, the seller is granted exclusive right to use of the brand name in perpetuity"( Kotler; 2000:404).

Brands differ from others assets such as patents and copyrights, which have expiration dates. A brand is essentially a seller's promise to deliver a specific set of features, benefits and services consistently to the buyers.

The brand has a great marketing significance. Brands are sold at retail stores and not the physical product. At retail counters, people do buy "Liril" and not a Soap "Shikhar" and not merely a filter cigarette, "Close Up" and not a toothpaste. A brand name is the title given to a product by its manufacturer, which must be distinguished from the trade name which is the name of business firm. For example, "Lux", "close up", "Sunsilk" are the brand names of products manufactured by Nepal lever Ltd. The trade name is "Nepal Lever".

Today most of the products are bought by brand rather than inspection. Consumers demanded the branded product, in the sense successful marketing of the product is to sell the brand. That is why every manufacturers or marketers are trying their best to develop a positive attitude in their mind towards the brand of their products. But quite naturally all the consumer do not deal or behave with the brand exactly in the way marketer want. In spite of availability of various brands, there are some consumer, who keeps on striking up to a particular brand whereas some are indifferent in selection of brands.

A brand has a specific set of features, benefits, quality, which make its certain image in the market. So the consumer according to their faith, trust on features, quality or impression of promotional complaining or according to the experience of the same or due to any other physiological elements prefer on brand or other.

Advertising creates influence over the consumer to select certain brands by showing features quality or service offered by the particular brand. It plays the role of stimuli in the consumer decision process.

Loyalty is specific preference over the products available in the market. It is the behavioral response expressed over time by some decision- making unit with reference to one or more alternative brands.

"Brand loyalty results from an initial product trial that is reinforced through satisfaction, leading to repeat purchase"(Schiffman,and Kanuk; 1997:223).

In the real sense brand loyalty is the leading to strong brand preference and repeat purchase behavior. Some studies have indicated that brand loyal consumers are older, have high incomes and experience great perceived risk.

Cognitive researcher emphasizes the role of mental process in building brand loyalty. They believe that consumers engage in extensive problem solving behavior involving brand and attributes comparisons, leading to a strong brand preference and repeat purchase behavior.

In Simple term, brand loyalty means consumer strong faith or belief on a particular and as a result, an intention to repurchase the same brand. If consumers think a brand is good in

comparison with other available brands in term of fulfillment needs, want and other prejudicious then they develop positive attitude towards a brand and purchase them. If this action is repeatedly happened with a specific brand it is known as brand loyalty. To find out brand loyalty frequently purchasing action of a product class must be required. Brand loyalty is a great asset of a company, which is not expressed in numerical form of the balance sheet. It gives seller some protection from competitions and greater control in planning their marketing program.

Adverting as a stimuli, influence the consumer to purchase or repeat purchase a particular brand, showing and reminding the quality, features, service and benefit of the product. It helps the consumer to create positive attitude towards brands and make them brand loyal.

Today, dozens or probably more brands even a specific product category is being sold in Nepalese market. It means, competition has been very tough in market. Consequently, Nepalese consumers have wider choices while buying most of the products. They are no more compelled to buy any particular brands, rather they are free to choose whatever they like among different brands.

Growing competition in the market creates the pressure over the producer or seller to use more promotional activities to get their target market share or goal. So they are using the promotional tools, like TV commercial, radio ads, newspaper, magazines, posters, signboards and many other tools appealing to buy their products. Consumers buy a specific brand to satisfy their psychological stimuli aware by different promotional campaign including advertising.

This research study focuses on the impact of advertising on brand choice and brand loyalty for the low involvement product, such as toothpaste. It is concentrated in the following issues. Has any advertising influence over the choice and loyalty behavior of consumers? Do advertising has more weight in brand choice and loyalty than other promotional tools?

## **1.2Toothpaste Business**

Toothpaste is most widely used items in our daily life. Without it we can't imagine our morning. It became a compulsory product for us. The worth of toothpaste in Nepal is

estimated one billion plus rupees every year. So it is a large business and growing day by day. Even though, large percentages of people in Nepal don't use it and it can be opportunities for toothpaste companies to make them aware about the use of their product. Now more than a dozens of toothpaste brands are available in the Nepalese market, and companies are investing heavily in the advertising for promotion of their brands.

Nepal lever Ltd. is leading the toothpaste market with its two major brands (Close up and Pepsodent), other basic players are Dabur Nepal Ltd, Colgate Palmolive (Nepal) Pvt. Ltd, and Anchor Health and Beauty care (P) Ltd. There are also presences of many other toothpaste producers in the market. Currently available some bards of toothpaste in the market are presented below.

<b><u>Brand</u></b>	<b><u>Company</u></b>
Close up	Nepal Lever Ltd.
Pepsodent	Nepal Lever Ltd.
Dabur Red	Dabur India Ltd.
Colgate	Colgate Palmolive (Nepal) Pvt. Ltd.
Brighter	Brighter Toothpaste and Tooth bursh Pvt. Ltd.

Today, dozens or probably more brands even a specific product category is being sold in Nepalese market. It means competition has been very tough in the market. Consequentially, growing competition creates the pressure over the producer or seller to use more potential activities (Like advertising or sales promotion etc) to get their target market share or goal in the market. They appeal to consumers to buy their branded product. So the producers of toothpaste are also applying different promotional mix. Out of them, advertising is the widely used.

### **1.3 Statement of the Problems**

Business organization always tries to increase sales volume by applying different methods of promotion. It is common worldwide, and it is common in Nepal too. The



cutthroat competition of growing market has compelled Nepali Business organizations to spend more and more on promotion, (i.e. advertisement, publicity and other tools)

Advertising plays a vital role in the promotional effort by familiarizing, awareing and influencing the consumer to buy the products or services or ideas and help them about the buying decision. In the developed countries, especially in the business field with out advertising is handicapped. So in these countries, a huge amount of expenditure is made on it. Investing in advertising means investing in raw materials is their norms. Hence, it has become on integral part of the budget of the manufactures, traders and service sectors.

Nepalese market is becoming competitive and sophisticated than before, which has made advertising as a compulsion to any business organization. In Nepalese perspective, advertising is in developing stage and still some people think that advertising means charity or wasting of time and money, but these types of misconception has been disappearing by the development of advertising and it's increasing popularity. Entry of multinational advertising companies made Nepalese advertising world creative and competitive then ever before.

In Nepal, there are various newspaper available with a nation-wide circulation, such as Kantipur, Nepal Samacharpatra, Gorkhapatra, The Kathmandu Post etc. Many other daily, weekly, monthly magazines have nation wide circulation. (i.e. Himal, Nepal, Samaya etc). Radio/ FM and Television are also widely available. So, the media sector is rapidly growing in Nepal.

In Nepal the business organization have not the system of evaluating advertisement effectiveness. However, the evaluation can provide a kind of feedback to the advertiser, which can be a useful basic for promotional planning in the future. In this content, there are various aspects to study, such as consumer response towards advertising, advertising impact on brand choice decision, effective way of advertising, impact of ad on brand loyalty behavior of consumer etc. However analysis of the impact of advertising on brand choice and brand loyalty is the significance issues to be researched. Advertising influences the consumer to purchase a particular brand. What kind of advertising does consumer help to create positive attitude towards brands and what advertising message do

consumer help to make brand loyal? Taking those issues, following problems are identified for this study.

1. Is there any impact of advertising on brand choice behavior of consumer?
2. Does advertising contribute to brand loyalty?
3. Do consumer give more weight to advertising rather than any other promotional tools while making product (Brand selection decision)

#### **1.4 . Objectives of the Study**

This study focuses on the impact of advertising on brand choice and loyalty behavior of the consumer. So, the main objectives are as follows:

- I. To analyze the impact of advertising on brand choice decision and brand loyalty of consumer products (toothpaste).
- II. To examine the popular media of advertising in case of toothpaste.
- III. To examine the consumer preference on advertising rather than any other promotional tools, while making selection decision.

#### **1.5. Importance of the Study**

Tough competition in the market makes business firms to apply more aggressive promotional activities to survive in the competitive market. Firms want to overcome in the over stocking and rough competition problems and get target market share. Advertising makes wide spread distribution possible. Although a marketing manager prefer to use personal selling. However, it is expensive and can't do mass selling like advertising. Today most promotional blends contain personal selling and mass selling.

“Advertising is job might be to build brand preference as well as help purchasers to confirm their decision.”<sup>8</sup> (The economic survey; 1994-95:347), Advertising introduce the product to consumers and persuades them to make a choice in its favour. It also induces familiarity with brands and makes consumers fell more confident about products with which they are familier. In this way, it protects producers against the unfair competition.

Sometimes the advertising may be able to some extent to describe that our product is different from competitors. Advertising could be made useful assistance to product

positioning. Meanwhile, it also stressed these differences and creates an image about product in consumers' perception which directly effect on brand choice.

Competitive advertising tries to develop selective demand for a specific brand rather than a product category. Competitive advertising is a successful tool in making brand choice and brand loyalty of low involvement consumer products.

Nepalese advertising sector is rapidly growing. Although, it is facing number of hurdles, now, most of the big private and public companies have given the space to advertising in their annual budget. Today, most of the Nepalese consumer product are made and sold mainly with the help of advertising. We can't imagine business world without advertising. However, it is increasingly affecting the lives of most Nepalese in some way. So it is useful to analyze the effectiveness of advertising because it shows the worthwhile of advertising.

This study carries comprehensive information on the effective aspects of advertising. It also explores the role of advertising in creating awareness among general consumer and changing buying attitudes of consumer brought by it. It will contribute to generate data as to what extent advertisement help in brand choice and brand loyalty decision of consumer in case of low involvement product.

#### **1.6. Limitation of the study**

The major limitations of the study are as follows:

- ) The study is based on advertisement made by the commercial service of the print, electronic and outdoor media.
- ) This study is limited only to the low involvement consumer products, such as: toothpaste.
- ) The study is based on the response of different consumer to whom questionnaire were administered.
- ) The study is based on primary data.
- ) Time will be also limited during this study.
- ) The sample size taken for this study is very small in comparison to the population of the study.

) This study had done in Bharatpur, Chitwan.

## **1.7 Organization of the Study**

This research work has been divided into five chapters as like:

### **a. Introduction**

This chapter provides general information and concepts of advertising, brand and brand loyalty. This chapter mainly gives a brief picture of what is going to be studied, why the study is important, what the study is going to seek and what are the limitations of the study.

### **b. Review of Literature**

This second chapter, review of literature deals with some related matters of the study. This chapter deals about the theoretical concept of advertising. It address about meaning, definition and need of advertising, the historical background, types and functions of advertising, advertising and other marketing activities, various advertising media available in Nepal, advertising brand choice and loyalty and reviews of some related studies in Nepal.

### **c. Research Methodology**

Third chapter covers research methodology employed in the present study. It describes about how the study being designed and prepared, what kind of data are collected, what type of sources are used for the data collection, how these data are processed to fulfill the needs and objectives of the study.

### **d. Presentation and Analysis of data**

This fourth chapter deals with the issues identified in the introduction. This is the heart of the research study. What has been analyzed, how it has been analyzed and what has been found are the concerns of this chapter. This chapter presents major findings derived from the analysis of data.

#### **e. Summary, Conclusions and Recommendations**

This fifth or last chapter concerned with summary, conclusion and recommendation.

This chapter is the ending of the study, which provides the suggestion for the improvement of the product.

A bibliography and appendix have also been included in the last part of the study.

## **CHAPTER- TWO**

### **REVIEW OF LITERATURE**

#### **2.1 Meaning and Need of Advertising**

The word advertising is derived from the original Latin word 'advertere' which means "to turn" the attention. So the meaning of advertising is to turn people's attention to the specific thing. In other words, advertising is to draw attention of people to certain good, service or an idea. Therefore it can be said that any thing that turns the attention to an article or service or an idea might be well called as advertising.

Most advertising is to stimulate people to buy a particular branded product offered for sale by a particular seller. It is an important element in modern marketing process, but it can produce consistently profitable results only when the entire structure is sound and coordinated.

Albert Lasker, who has been called the father of modern advertising, said that advertising is "Salesmanship in print", that may well be. But he gave us that definition long before the advent of radio and television and at a time when the nature and scope of advertising were the considerably different from what they are now. Today the definitions of advertising are many and varied. It may be defined as communication process, a marketing process, an economic and social process, a public relation process, depending on the point of view.

"Advertising is form of communication intended to promote the role of a product or service to influence a particular cause to gain political support, to advance a particular cause or to elicit some other response desired by the advertiser" (New Encyclopedia Britannica, Macropedia, 15<sup>th</sup>ed, vol.1, Chicago; 1979:103).

"Advertising consists of all the activities involved in presenting to a group, a non-personal, oral or visual, openly sponsored message regarding a product, service or idea. This message called an advertisement, is disseminated through one ore more media and is paid for by the identified sponsor"(Stanton; 1985:448) .

The institute of practitioners in advertising definition says: "Advertising presents the most persuasive possible selling message to the right prospects for the product or services at the lowest possible cost" (Jeffkins; 1999:9).

"Advertising is one of the most important reinforcing element of the promotional mix for the objective of successful sale of a product" (Cateora; 1997: 479).

"Advertising includes those activities by which visual or oral message are addressed to the public for the purposes of informing them and influencing them either to buy merchandise or services or to act or be inclined favorable towards ideas, institutions and person featured"( Ahuhja and Chhabra; 1995:1).

"The object of advertising is usually to change or influence attitudes. It aims to persuade people to buy product A instead of product B or to promote the habit of continuing to buy product A (they are unlikely to buy both product A and product B)" (Jeffkins; 1999:15).

Today, advertising is a worldwide phenomenon, many advertiser use advertisement for many purposes with many different possible effects. For example, there is highly fanciful advertising for consumer goods such as toothpastes, detergents, soaps or soft drinks and highly technical messages dealing with vehicles, medical supplies or computer services. They advertise because they find it a convenient means of communication for their consumer. Their intents can range from altering behavior to affect the way people think about a particular social or economic position. The result of their effort can range from enormously influential to waste of the advertiser's money.

From the above statement advertising has four features.

- ) A verbal and / or visual message.
- ) A sponsor who is identified.
- ) Delivery through one or more media.
- ) Payment by the sponsor to the media carrying the message.

"Advertising is certainly one of the most important and most complex decision area facing business executives" (Boyd, Westfall and Stasch, 1998: 727) .

Since the development of science and technology, manufactures are able to produce goods and services in mass production system, but they can't sell their product without informing scattered customers about their products. Although there are various methods to inform the customers about products advertising is only one alternative to carry their message. Competition in the market is growing day by day. Dozens or probably more brands even a specific product category is being available in the market. Consequently consumers have wide choices while buying most of the products and they are free to choose them. So seller or manufacturer should promote the products in the market. Sellers are informing the consumers with T.V. commercials, radio advertisements, newspapers, magazines and many other tools appealing to buy their products.

"Some promotion is essential in order to create awareness of products existence and characteristics, furthermore, promotion can create positive psychological association that can enhance the buyer's satisfaction. In this last sense promotion may be considered to add to the real values of the company's offering"(Kotler; 1990: 341) .

Now a day, advertising has become a major form of selling. It is not only support other forms of selling but also frequently serves as the only selling tool used to move merchandise. So advertising is essential for manufacturer, whole-seller and retailer in order to influence their customers' behavior favorably to obtain desired sale. In this context a market without advertising is unimaginable in any corner of the world.

## **2.2 Evolution of Advertising**

Advertising, as we understand today, has considerable influence on contemporary society and commerce, but this was not always the case. Although, the advertising's main purpose is to inform and persuade has not changed throughout its history.

Many people think advertising as a modern process but it has a longest history taking us back to the history of mankind and the human civilization. Most historians believe Greek and Roman merchants who benefited from expanded contact with other societies, a higher level of production due to the use of more sophisticated tools and enhanced communication. Signs carved in clay, wood or stone were hanging in front of shops. So



passerby could see what products the merchants offered. Most people could not read, so the signs often only symbolized the goods for sale.

After the invention of printing press in Germany in the year 1450's by Johannes Gutenberg, it became the major event in the history of civilization and probably the most important development in the history of advertising. In London in about 1472, the first printed advertisement in English, tacked on church door, announced a prayer book for sale. When newspapers started appearing in various parts of the world in 17<sup>th</sup> century, newspaper advertising began to develop. This was an important phase in the history of advertising.

However, most early newspaper advertisements were in the form of announcements. The first newspaper advertisement, which appeared on the back of the London news paper in 1650, offered a reward for the return of 12 stolen horses. The first and offering coffee was made in a newspaper in England in 1652. Chocolates and tea were introduced first through newspaper ads in 1657 and 1658 respectively in England. Later advertisement appeared for real state, medicine and "personal ads"

"Competitive advertising came much later in 18<sup>th</sup> century in England, when various ads attempted to convince the reader about the advertised products superiority over other similar products. Printed advertising in newspapers and magazines was in general use towards the middle of the 18<sup>th</sup> century in England and America" (Ibid: 39) .

"During the 19<sup>th</sup> century, it was marked by a new kind of brand advertising, magazines, both weekly and monthly started catching the imaginations of the people by popularizing the brands. This is the period that welcomed window and counter display, exhibitions and trade fairs" (Sontakki; 1989: 29-30) .

Towards the end of the 19<sup>th</sup> century, creative advertising developed, painting had also used in advertising in 1987. When advertising entered in 20<sup>th</sup> century, there was so many miracles happened then before on Oct. 29, 1929 the stock market crashed, the great depression of the 1930s followed by the war years had an adverse impact on the growth of advertising. However, during these tough years, advertisers looked for a ways to make their ads more effective.

After broadcasting media came into scene, it has added other significant milestones in the field of advertising. A major powerful new advertising media radio started on Nov. 2, 1920, in Pittsburg, Pennsylvania. National advertisers used radio extensively because they could reach large, captive audience that turned into popular programs. In fact, their advertising agencies produced the first radio because the primary means of mass communication. The most unusual expansion of any medium occurred after television was first broadcasted publicly in 1941. In 1955 color television was born and became increasingly popular. Today television is the second largest advertising medium in terms of total money spent by advertisers. The 1970's saw a new kind of advertising strategy, where the competitor's strength becomes as important as the advertisers. This was called positioning era.

"From this time onward however, advertising never looked back, not only in the united states and western Europe, but in developing countries as well. It has scaled higher and higher peaks in terms of billing as well as its quality and its sophistication" (Chunawalla and Sethia; 1998:29) .

During the last decade, several significant new technologies have affected advertising considerably. One was the penetration of cable television and satellite receivers in to a vast number of world homes. Computer technology has its own impact. Internet gives advertisers new media for reaching potential customers. Now the smallest companies can maintain a database for direct mail.

"The brief history shows that advertising reflects the world we have in just as advances in technology are changing our lives. So will the actions and attitudes of special interest-groups from big business to big labour, from pro-growth advocates to environmentalist, from big religious to big cultures, and although some groups fight progress to effect their aims all the way. They will all use the tools of progress to affect their aims, one of these tools will be advertising in media yet to be conceived. "(New Encyclopedia Britannica, Macropedia, 15<sup>th</sup> ed. Vol. 1, Chicago; 1979:103) .

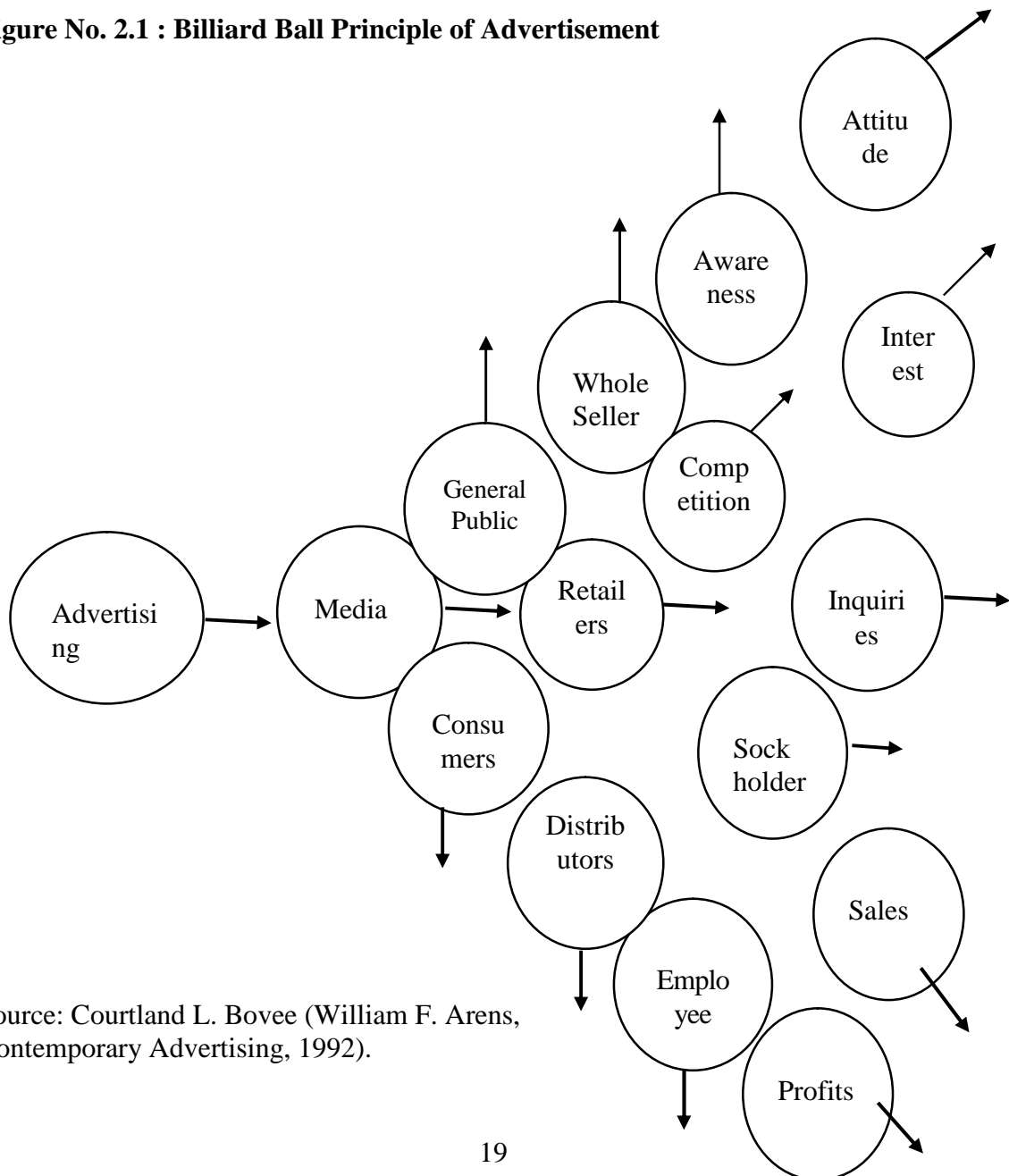
Advertising has come a long way from the simple sign on boot maker's shop. Today it is a powerful device of promotion and persuasion. It has been very much of a presence along our way and it would seem destined to span our future as well.

### 2.3 Billiard Ball Principle of Advertisement

The effectiveness of a standard advertisement can be clearly understood, from the Billiard Ball principle of advertisement. The principle shows how the advertisement will be effective to make a chain reaction in the economy. The economic effect of advertising can be linked to the opening "break" shot in billiards. The moment the company begins to advertise, a chain of reaction takes place. Usually the extent of the effort is difficult to measure but as in billiards, its scope is certainly related to the force of the shot i.e. in the advertising.

Thus, the better planning should be made, before launching the advertisement in order to have relation in all areas which is the ultimate goal of any company. The areas that advertisement can effect is stated in the below given chart.

**Figure No. 2.1 : Billiard Ball Principle of Advertisement**



Source: Courtland L. Bovee (William F. Arens, Contemporary Advertising, 1992).

## **2.4. Functions of Advertising**

The function of advertising is to create a positive psychological image about the products or services. Advertising has many functions, which are described as follows.

### **2.4.1 Marketing Function**

To make money, companies manufacture and sell products that compete in the market place. To increase their sales or profits, companies develop marketing strategies. The marketing strategy is determined by the particular way. Companies combine and use various marketing elements. This marketing mix includes a variety of options known as the 4 p's and generally categorized under the headings of product, price, place and promotion.

### **2.4.2 Communication Function**

As a communication function, advertising had its beginning in ancient civilizations. The outdoor signs carved in clay, wood or stone and used by ancient Greek and Roman merchants were the first form of advertising. All form of advertising communicates some message to a group of people. Today, the communication of information is still one of the basic functions and objectives of advertising. Advertising used primarily for communication are ads in telephone directories, newspaper classified ads, and legal notices published by various organizations and government bodies.

### **2.4.3 Education Function**

People learn from advertising. They learn about the products that are available to them and they learn how they can better their lives. Advertising must be more than educational to be successful. It must also be persuasive to move people to action, whether that action is the purchase of different brand of toothpaste or sending girl to the school. This persuasiveness usually has little in common with the impartiality of education.

### **2.4.4 Economic Function**

Advertising makes people aware of products, services and ideas and promotes sales. It greatly reduces the cost of distribution and eases the tax of personal selling. This leads to lower cost and higher profits which can be invested in more capital equipment and jobs.

### **2.4.5 Social Function**

Advertising is one of the modern society's most visible aspects. It is one of the major forces that have helped to improve the standard of living in the country by publicizing the materials, socials and cultural opportunities of a free enterprise consumer society. Advertising has encouraged increased productivity by both management and labour. It provides the opportunities to select the product that matches our functional or social needs. "In brief, the function of advertising according to Bovee and Arens are as follows.

- ) To identify product and differentiate them from others.
- ) To communicate information about the products, its features and its location of sale.
- ) To induce consumers to try new products and to suggest reuse.
- ) Stimulating the distribution of a product.
- ) To increase product usage.
- . To build brand preference & loyalty"(Bovee and Arens; 1986:8-9.) .

### **2.5 Classification of Advertising**

The word advertising is often preceded by an adjective that indicates the kind of advertising being discussed. To understand what advertising is, it is classify and thereby learn some basic terminology.

#### **2.5.1 Classification by Target Audience**

Advertising is always aimed at a particular segment of the population. When you see ads that don't appeal to you, because the ad is aimed at a group of people to which you do not belong. For e.g. an advertisement on TV for new detergent might have no meaning to a teenager or low level civil service holder might not be interested about the ads of car or home. The target audience is generally defined as that group of individuals to whom the advertising message is directed. There are many classifications of target audiences. Like consumer advertising, business advertising etc.

#### **2.5.2 Classification by Geographic Areas**

A neighborhood dress shop could most likely to advertise in the local area near the store. Many US, Canadian and UK products advertised in foreign countries from Africa to Asia. There are four classification of advertising based on geography.

#### **a. International Advertising**

International advertising is advertising directed at foreign markets. Multinational firms treat the world as their market firms. Such as Coca- Cola, Sony or Samsung or Ford advertise globally, e.g. in periodicals like Times, Readers Digest etc.

#### **b. National Advertising**

Advertising aimed at customer in various regions of the country is called national advertising and its sponsors are called national advertiser. E.g. advertising broadcasted in Nepal Television (NTV) is national advertising.

#### **c. Regional Advertising**

Many products are sold in only one area or region of the country. The region might cover several states but not entire nation. Advertising of such kind are found in the big countries like India, China and USA.

#### **d. Local Advertising**

Many advertisers such as department stores, automobile dealers and restaurants use local advertising because the majority of their customers come from only one city or local trading area. Local advertising media is selected for advertising like FM stations, local newspapers and magazines.

### **2.5.3 Classification by Medium**

Advertising can be classified on the basis of the medium used to transmit the message. The principle media used in advertising are newspaper, magazines, radio, television internet etc.

### **2.5.4 Classification by Function or Purpose**

Another way to classify advertising is on the basis of the sponsor's general objectives. Some advertising for example is designed to sell a product, some is not.

#### **a. Product Versus Non Product Advertising**

Product advertising is intended to promote products and services. Non-product advertising is designed to sell ideas. An ad of close-up toothpaste is ad of product and ad

of insurance services are also product advertisement. It should be pointed out here by the way that in this text the product will refer to both products and services.

### **b. Commercial Versus non Commercial Advertising**

A commercial advertisement promotes goods, services or ideas for a business with the expectation of marking profit. A non commercial advertisement is sponsored by or for a charitable institution, religious or political organization. Many non commercial advertisements seek money and are placed in the hope of raising hoods.

### **c. Action Advertising Versus Awareness Advertising**

Some advertisement is intended to bring about immediate action on the part of the reader whereas some have a long-term goal. Mail order advertisements, a coupon for the reader to use to request catalogs or additional information, fall into the category of action advertising.

Advertisements that attempts to build the image of a product or familiarity with the name and package is called awareness advertising. The objective may be to create interest in the product and to influence reader or viewers to select a specific brand and from the next time they are in the market for that product category. Most advertisements on television and radio could be classified as awareness advertising. Some however, are a mixture of action and awareness advertising.

## **2.6. Advertising and other Marketing Activities**

One of the most important characteristics of all marketing activities is that they are undertaken to increase the sales of goods or services. The various kinds of activities are distinguished from this goal.

### **2.6.1 Advertising Compared With Salesmanship.**

The basic distinction between advertising and salesmanship can be stated as follows. "When a persuasive communication is directed towards a single individual, it is an act of salesmanship. When it is directed towards a larger group of individuals, it is called advertising"(Kenneth & Yovanovich; 1971:149). A salesman spent much of his time deciding which people he should see and tailoring his sales approach to each.

Personal sales call should be more effective for selling than advertising message. A person may read entire magazines without over noticing its advertisement but it is unlikely that a salesman calling on him will go un-noticed. Second, salesmen are more effective than advertisers in separating the prospect from the non-prospects. Third, there should be less confusion because salesman can answer question and clear-up misunderstanding on the spot. At the same time the advertiser may not even know that there has been a misunderstanding in his message.

Advertising and salesmanship both are marketing communication methods. Advertising is a mass communication where as salesmanship is an individually tailored one.

"It is easier to held a man to account for what he proclaims in the public than for what he whispers in private"(Is the too much advertising reprinted in the world of advertising, Advertising Age, special issue, Vol.34, No.3.)

### **2.6.2 Advertising Compared with Sales Promotion**

Advertising is usually addressed to a large group of people but the distinction can be made as follows, "Sales promotion is the temporary offer of a material reward to customers or sales prospects, where as advertising is the communication of information"(Kenneth; 1971:19) .

From the definition it is clear that advertising may well be the medium through which a sales promotion offer is made. But it is not itself an act of promotion. The distinction also brings out an important fact about advertising. An advertisement by definition transmits a persuasive message, but the persuasive element is not necessarily the ads itself. When a sales promotion offered is the subject of an advertisement, the promotion is the persuasive element and the advertisement is an information channel.

### **2.6.3 Advertising Compared with Publicity**

Advertising is more persuasive in nature than publicity. Publicity is an effort to make available certain information to the public. It is the total sum of all these activities that are directed to the flow of information to the knowledge of public. Perhaps the best definition is one given by the association of teachers of marketing and advertising of America.



According to its terminology, “publicity is any form of non personal presentation of goods, services or ideas to a group; such presentation may be or may not be sponsored only be the one responsible for it and it may or may not be paid for” (Sontakki; 1989:2) .

Advertising is only a type of publicity. That is, the term publicity is more comprehensive than the word advertising itself. Therefore, it can be said that all advertising is publicity but all publicity is not advertising. Publicity is not forced on the audience. Its credibility is higher than advertising. Public tend to believe news than ads.

## **2.7 Objectives of Advertising**

The objective of most advertising is to stimulate to buy a particular brand of product offered for sale by a particular seller. "A sound conceived advertising campaign should have one or more objectives. Objectives help marketing firm to determine what is to be accomplished through the advertising campaign. It also facilitates the evaluation of the campaign through a comparison of results with the initial objectives"( Koirala; 1995:179). Basically the objectives of advertising are influencing, persuading, building image of product as well company, reminding for repurchase and communication information related about products and company, even though for easy to understand, we can trace out the objectives of advertising as follows:

1. To announce a new product or service.
2. To boost up the sales.
3. To solicit the customer.
4. To expand the market to new buyers.
5. To announce modification.
6. To announce a price change.
7. To announce a new brand.
8. To make a special offer.
9. To invite enquire.
10. To sell direct.
11. To test a medium.
12. To announce the location of stockiest.
13. To educate customers.
14. To maintain sales.

15. To challenge competition.
16. To remind.
17. To retrieve lost sales.
18. To please stockiest.
19. To appoint distributors.
20. To appoint staff.
21. To please sales force.
22. To attract investors.
23. To export.
24. To announce trading results, etc. (Pradhan; 2049:40).

## **2.8 Marketing and Advertising**

The term marketing refers to all business activities aimed at 1) finding out who customers are and what they want, 2) developing products to satisfy those customers needs and desires, and 3) getting those products, in the customers possession.

According to the board of directors of the American Marketing Association defined “Marketing is the process of planning and executing the conception pricing, promotion and distribution of ideas, goods and services to create exchange that satisfy the perceived needs, wants and objectives of individual and organizations”(Bovee & Arens; 1992:121).

To achieve marketing objectives, the organizations use several marketing tools, known as 4p’s as product, price, place and promotion. This is also known as marketing mix and advertising fall in the promotion mix.

Advertising is a mass or non-personal selling. It is the tool of marketers that can use to inform, persuade, and remind customers about their products or services. To be successful though advertising depends on the adequate performance of the other marketing activities.

## **2.9. Manufacturers and Advertising**

The manufacturers or the producers who make available goods with a clear intention of disposing them at profit have to address the satisfaction of consumers. They take a full advantage of advertising as a service. Manufacturers are prepared to spend a lot on advertising because it pays to do so. Advertising helps manufactures to get three clear benefits.

1. It increases and stabilizes the sales turnover.
2. It keeps the existing market and explores new, and.
3. It controls product price( Sontakki; 1989:2) .

### **2.10 Advertising and Consumers**

“Advertising through its various forms disseminates useful information about relative merits and special features of the products and services in terms of price, quality, utility, durability, convenience and like thus guiding the consumers to go in for a particular product or services of a sponsor”( Ibid, p-9).

“It is claimed that advertising increase the utilities of given commodities for many people. By pointing out and emphasizing the qualities possessed by certain goods. Consumer is led to appreciate more strongly the utility of such goods”(Sandage and Fryburger; 1985:41).

In fact, today advertising has not only an informative device. Its purpose is not only to inform but also to persuade. It has power to increase the satisfaction to consumer. Also it has power to develop a desire among many consumers for commodities. So advertising influences the consumption pattern of the consumers.

### **2.11. Advertising and Citizens**

Advertising is simply an enormous presence in our society. As such, it has power to influence the society. It affects our values, meld our social and self- images, and adequately and fairly expose us to some of the controversies of our day and so on. Proper use of advertising benefits not only to consumer but all the public.

It is said that advertising exalts the materialistic virtues of consumption and distorts human values, that it makes people want wrong things (too much beer, cigarettes etc.) and promote private luxuries at the expense of public squalor. But it also aware the people about the environment pollution, disease like AIDS, cancer etc

### **2.12 Advertising Media**

Media is plural for medium. In advertising, medium is a channel of communication. A medium is a vehicle for carrying the sales message of an advertiser to the prospects. The

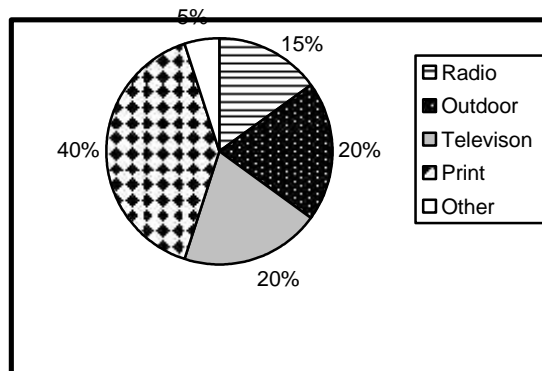
advertising media carries the advertiser's message in the vital connection between the company that manufactures a product and the customers who wishes to buy it.

Most advertising media can help the advertiser with production assistance, market research, sales promotion or merchandising service. So, the advertising media suppliers are crucial to the growth of the industry.

The current size of the Nepalese media advertising and publicity market is estimated 2 billion rupees as quoted by Advertising Agency Association of Nepal (AAAN).

The print media dominates the market share estimated 40%. Electronic media (radio, TV) hold the second position followed by outdoor advertisement and publicity including hoarding boards, banners, wall printing, give away items etc. It has estimated 25 % market shares.

**Figure No. 2.2**  
**Market Share of Different media vehicles**



### 2.13 Selection of Media

Advertising helps to inform the public about the right product at the right time through the right media. Media selection decision refers only to the selection of a specific medium of advertising such as newspaper, magazine, radio, T.V., mail service or outdoor advertising. While selecting media we must consider the budget also.

## **2.14 The Advertising Agency**

Advertising agency is an independent business organization. It consists of creative and business people who have specialized knowledge and skill, who are well informed in all aspects of marketing, who know the media and markets and who are skilled writers, artists, television producers, researchers and managers for planning successful advertising campaign.

“Advertising agency is an independent organization of creative people and business people who specialize in the development and presentation of advertising plans, advertisements and other promotional tools. The agency also arranges or contacts for the purchase of advertising space and time in the various media. It does all this on behalf of different sellers who are referred to its clients, in an effort to find customers for their goods and services”(Bovee & Arens; 1986:83) .

“Advertising agency is that organization which provides specialized knowledge, skills and experience needed to produce effective advertising”(Sontakki; 1989:348). So, advertising agency is an independent organization, which develops and executes advertising campaigns according to the requirement of the clients and places them to the media.

## **2.15. Evolution of Advertising in Nepal**

The history of Nepalese advertising is very short. In the developed countries, such as United Kingdom, United States, advertising entered long before the advent of Rana Regime in Nepal. The first Nepali languages advertisement was appeared in the 1919 B.S. (1862 A.D) about the fourth coming (then) books of Krishana Giri on the back cover of his book “Mokshashiddhi”. It was printed in Manorama press at Kathmandu. In 1945 and 1956 B.S, the ad of Gorkha Bharat Jevan and Sudha sagar newspaper appeared respectively. Gorkhapatra started to publish in 24<sup>th</sup> Baisakh, 1958 B.S (1901A.D). It had published advertisement rate on its first issues. After that, advertisement seen regularly on Gorkhapatra in the form of notice, public announcement.

“In Bhadra, 1984 B.S, Bhetnarayan Shrestha of Batu, Kathmandu printed the notice in Gorkhapatra about the opening of petrol shop. It was first commercial ad of Nepal. He

also published next commercial ad in the name of “The Himalayan Motor Trading” in Baisakh, 1985 B.S. At that time many businessmen in Kathmandu started to publish advertisement in the Gorkhapatra”(Nepal and Humagai; 2003: (April- May) 44).

First radio ad was appeared in Magh, 2007 B.S. (1950 A.D), a pro-democracy announcement on Prajatantra Nepal radio (Democracy Nepal Radio) set up at the Raghupati Jute Mills, Biratnagar. The Government addressed to advertisement in 2015 B.S (1958 A.D), when the press commission was formed on the chairmanship of Justice Krishna Prasad Chapagain, This commission suggested that the government should provide the advertisement to the newspaper.

“The first advertising agency “Nepal advertisers” was established in 2017 B.S. (1961 A.D), then only the advertising business got the path of development. The advertisers were very few at that time. The advertising was only about the official notices and information. Advertising was seldom done in private newspapers. Radio and newspapers did not feel the advertising agencies necessarily. The Nepal advertiser established in 2017 B.S. had only limited service area. It provides press cutting service instead of artistic and attractive advertising in newspaper and magazines. For the press cutting it is used to take Rs.76 for a year”(Dahal; 2049: (AAAN) 239) .

“Nepal printing and advertising” was the second advertising agency, established in 2020 B.S. It started advertising service to the Nepal Bank Ltd., RNAC, and Janakpur cigarette factory and some official and semi government offices. It also started printing services as well as sponsoring advertising, that was difficult task at that time for the lack of qualified manpower and servicing facilities for shooting the advertisement.

First television ad. About Nebico Jingle played on the first test transmission of Nepal Television in Shrawan 29,2042 B.S. (1985 A.D). Nepal Bank started “display advertisements and also got credit for emphasizing “product image” in advertising rather than product only. Sajha Yatayat and Nepal Brewery started the advertising by highlighting the image of product. Nepal Brewery’s star beer and other soft drinks advertisement is the first ad, which had started to make “Brand image”(Nepal and Humagai; 2003: (Apr-may 45) .

The advertising Agencies were increasing and developing according to the increase in industries and tradition. There are more than 1000 agencies registered in Nepal. Out of them, only about 300 agencies are in running position. “It is found that 266 advertising agencies had been registered in the Advertising Agencies Association of Nepal. (AAAN)”(official record of AAAN; 2004:23) .

After the restoration of Democracy, it had made immense progress in the last 15 years because of liberal economic policy, expanded market, increased media sector and international relation. Development in media sector, credibility in press radio, T.V and increased no of readers, listeners, viewers and consumers provide the opportunity to develop advertising in Nepal.

## **2.16 The Legal provision For Governing Advertising In Nepal.**

“The following legal acts carry provisions about advertising in Nepal:

- ) “Muluki Ain”, 1963 (National Code, 1963): Misrepresentation in the conduct of trade considered as cheating.
- ) The food Grains Act 1966. Protection from hazards of adulterated and misbranded food articles.
- ) The contract Act, 1966: contract made on misrepresentation is violable.
- ) The standard of weights and measures act 1967. Maintains uniformity in weight and measures through HMG stamp.
- ) The public Nuisance (Crime and punishment) Act, 1970: prohibits obscene advertisements.
- ) The penal code 1973: prohibits misrepresentation of quality and type of goods, restricts nudity in ads.
- ) The drugs Act. 1978: restricts false and confusing ads of drops.
- ) The Nepalese standard (certification marks) Act 1980: certifies quality standard through “NS” mark.
- ) The consumer protection Act, 1998 (Implemented in 2000); Protects health and right of consumers, consumers grievance redressed bodies provided: Provides right of information to consumers”(Agrawal; 2000:424) .

Advertising Association of Nepal (AAN) was formed in 1988 but there are no basic rules and regulation for the Advertising industry. In advertising there is no clear definition as what is wrong and what is right. So any regulatory body does not control the industry.

It is difficult to regulate the advertising, realizing that AAAN, Federation of Nepali Journalist (FNJ) and ministry of information and technology drafted the National Advertising policy (NAP) in the 2002, due to lack of single legal provision for governing advertising. It covers media in Nepal used for advertising purpose as print ,electronic, outdoor, events and interest.

### **2.17 The Legal Provision in Advertising Expenses**

In advertising budget amount should be spent in dependent on number of variables. To control the amount that the firm is capable of spending for the creative activity of advertising, finance is the key factor.

In Nepal, the advertising budget depends on the government rules (Act). For the tax purpose, prior to 2049 B.S, it should not exceed 2 percent of the gross profit. After 2049 B.S, the Government changed the rule of spending advertisement expenditure “Under the industrial Enterprise Act, 2049, any industry incurring advertisement expenditure could be deducted up to 5 percent from the gross income. Such facilities may relate to hospitality. Similarly, expenses should be deducted while assessing the net income” (The Industrial Enterprise Act, 2049) .

### **Some terms and conditions of various media in Nepal.**

- ) Each advertisement must clearly bear the name, signature and address of advertiser.
- ) Cancellation or alternation will be accepted only on advance notice in written with in 24 hours" (Rate card of Gorkhapatra corporation. Effective from 10<sup>th</sup> Ashad 2059) .
- ) Advertising in conflict with public interest and against moral is not be accepted in Nepal" (Rate Card. Kantipur publication P.Ltd).
- ) Advertisements are acceptable in Nepali and English only.
- ) All materials for commercials time must conform to the requirements of the ministry of information and communication. The decisions of the Nepal television



for the approval of material to be used on TV will be final and not be contested by the Agency advertiser" (Rate card. Nepal Television, 2002) .

## **2.18 Advertising Media Available in Nepal.**

For marketing, advertising is widely used and effective promotional tools. By the help of mass media it can reach to the every people at the same time. It helps to reach the message with the words spoken or written or picture or both. Media is one of the best progressed sectors in Nepal after the restoration of democracy in 1990. There are hundreds of newspapers, magazines, many FM stations, TV channels. These sectors help for advertiser to advertise their products, service and ideas. The present media available in Nepal are as follows.

### **2.18.1 Print Media**

In terms of advertising billing print media is the oldest and the largest in advertising. In Nepal, 40 percent of advertising expenditure goes to print media. Advertising spends more money on newspaper and magazines than any other media. Reader accepts the advertising message by it. The popular form of print media is Newspaper and magazines, which are given below:

#### **2.18.1.1 The Newspaper**

"Newspaper is one that gives news-views, ideas-interpretation-opinion, comments and explanations regarding the social, economic, political, educational, moral, cultural, ecological, methodological, development and the like"(Sontakki,1989,p.140). The newspaper is a mass medium that is read by almost everybody and everyday. There are several types of newspapers as daily, weekly, special interest etc. In terms of coverage, frequency and language, it may also be classified. Newspaper can be national, regional, and fully local also. Kanitpur, Samacharpatra, Rajdhani. Gorkhapatra, Annapurna, Rising Nepal, The Kathmandu post, The Space Time, etc. are daily and national newspaper in Nepal. Weekly newspapers are the Deshanter, the Nepali times, Jana Astha, Bimarsha, Saptahik etc.

#### **2.18.1.2 The Magazines**

The second publication media available to an advertiser are magazines. Most magazines are either weekly or monthly etc. It is suitable to regional and national advertising

programs. Advertiser can reach any market segment in terms of different demographic variables like age, income, occupation, sex, educational level through magazines. Women read magazine such as Nari, young boys and girls read Yuva Munch, Today's youth business people prefer to read the Boss, the Business age etc. The most widely read news magazines in Nepal are Himal, Samaya etc.

## **2.18.2 Electronic Media**

It is the most popular media. Radio and television are penetrating more and more home everyday and they are the form of electronic media. It is capturing advertising market easily.

### **2.18.2.1 Radio Broadcasting**

Radio is a real mass medium which is technologically capable of giving artistic creativity. Radio becomes a powerful communication medium, after its invention. The history of radio broadcasting in Nepal was started in the year 1950. The Radio broadcast was made to the public from the premises of the Raghupati Jute Mill at Biratnagar on 41 meter band at the first time. Then after Radio Nepal was established, now more than 200 F.M Stations are operating in the various parts.

### **2.18.2.2 Television**

The Radio regained powerful over a period of 50 years from 1920s to 1970s. Its supremacy was slashed by the arrival of the greatest and latest rival namely, television by 1950s in American and impact was so deep that within a decade it spread over to European Countries, Canada, Australia and Japan. Now, it broadcasted in every country of the world. As a means of reaching a mass audience, no other medium today has the unique of sight, sound and movement; the opportunity to demonstrate the products; the potential to use effects; the believability of seeing it happen right before your eyes; and the empathy of the viewer.

The history of the television broadcasting in Nepal is very recent. It was standard as a experimental transmission August 13, 1985 for catering to the need of the viewers in Kathmandu valley in a very week manner with installation of VHS equipment and in the UHF band. Now, there are more than ten Nepalese channels on the air. Out of them,

Nepal television is the major players in the advertising billing, but other channels also increasing their share in the advertising pie.

### **2.18.3 Outdoor and Transit Media**

Outdoor advertising is the oldest form of advertising. In that period traders used signs outside their building and along the routes as a means of mass communication. Today's outdoor media of advertising are nothing but a refinement of the ancient method of delivering a message to a large group of people. The modern outdoor media include advertising has several form as posters, billboards, hoarding boards and non-standardized signs such as roadside signs, highway advertising ,placed on public and private transit vehicles and at bus and air terminals. It is the major advertising media offer the lowest cost per message delivered. Outdoor ads are not a dying medium. It makes the traveling of millions of people entertaining in the road every day.

### **2.19 Brads and Consumers**

A brand is a name or mark intended to identify the product of one seller or group of sellers and differentiate the product from competing products. The brand name consists of words, letters or numbers that can be vocalized. A brand mark is the part of the brand that appears in the form of symbol, design or lettering or distinctive color. A brand mark cannot be expressed when a person pronounces the brand name but it is recognized by sight. Trademark is a brand that has been adopted by a seller and given legal protection. All trademarks are brands and thus include the words, letters or numbers that can be pronounced. On major method of classifying, brand is on the basis of producers or middlemen. Coca-Cola, Colgate are producer's brand while cough tablet, forenza and shurfine are middlemen's brands.

Today hardly anything is unbranded. Products from unorganized market like salts, fruits, vegetables etc are unbranded but now we have branded salts too. Brands are successful because people prefer them to ordinary products. It gives consumers the means whereby they can make choices and judgments. With these experiences, costumers choose brands to guarantee standard of quality and services which reduce the risk of failure in purchase. Brand guide to a variety and competitive products and helping consumers to reach in better and quicker decision. Consumers are never loyal to genetic products. However, they develop a loyalty to brand products.

## 2.20 Advertising and Brand Choice

Advertising is a part of marketing mix that can affect on consumer for brand choice. Most of the advertising campaigns are designed to influence consumer to buy particular brand. Advertising has the super- power to create positive response and can sell anything.

The modern marketing accepts consumer as the king because he has purchasing power and no force on the earth would compel him to buy a particular products or services .Every consumer wishes and tries to preserve his sovereignty. A producer or a marketer succeeds when he wins the favor of the consumers by providing what they want. This consumer sovereignty has two significant implications.

1. He has the fundamental freedom to spend or not to spend his disposable income on goods and services, which are available in the market places. No one can force the individual in the society to spend as per their calculations. That is the consumer may spend now or postpone the purchase to future date.
2. He decided to spend on a particular product or service, he has again full freedom to choose from the available products or services in the market buying a product is one thing and buying the best is another. Buying the best depend on his ability to select the best among the wide range of varieties to get maximum satisfaction from reasonable price. It does the job of enhancing consumers ability by providing varieties of required information.

Advertising acts as a counselor or a guide to the consumer. It provides detailed and up to date information, regarding the various products available in the markets, so that the consumer would decide to buy wisely and intelligently. Advertising as a mass media help the consumer in preserving and promoting their sovereignty in the following forms.

In the first places it "informs ". It informs the consumer about all products and services available for sale as to when they are available under what condition? At what price? And so on, secondly, it "explains" .It explains the features relative merit of each product or service so that he can have comparative account for making wise selection. Thirdly, it educates." It provides good deal of information regarding products or services whether a person is interested to buy or not. This useful knowledge enlightens him as to what a product is? How it different from other in the line? What it does for him? At what cost? It

speaks not only of the existing products but also the product when will be produced in near future. Fourthly, it acts as a "guide" of consumer today. The consumers are really at sea because the present markets are flooded with too many varieties of products. There are many products with wide range, which are trying to meet the variable needs of consumers. It is pertinent to note that consumers need differ interims of quality, quantity price and time factors. Advertising solves his problem of coming to the conclusion. It makes him more conscious and directs him to the point of most accurate decision of selection in best way. So that advertising is a very powerful and successful mass media of communication as that makes possible for the consumer brand choice through rational selection. It is useful in selection of the best brand at reasonable price. Consumer finds himself as rational and intelligent purchaser through advertising

### **2.21 Advertising and Brand Loyalty**

If consumer thinks that brand is good in comparison of other brands in terms of fulfillment needs, wants and other prejudices, then they develop positive attitude towards a brand and purchase them. If this action is repeatedly happened with a specific brand it is known as brand loyalty. To find out brand loyalty frequently purchasing action of a product class must be require. Brand loyalty is a great asset of a company, which is not expressed in numerical from of the balance sheet. It is completely unseen, but gives result of full enjoyment. " Brand loyalty is defined as 1) the biased i.e. non random 2) behavioral response i.e. purchase 3) expressed over time. 4) by some decision making unit 5) which reference to one or more alterative brands out of a set of such brands and 6) a function of psychological process i.e. Decision making evaluative" (Jacoby and Wchertnul; 1982:571) .

Advertising has the power to develop desire among many consumes for commodities, which they do not posses and cannot possess because of insufficient purchasing power. Therefore, advertising influences the consumption pattern of the consumers. Its purpose is to persuade consumers. Advertising effectiveness depends upon customers believes. If the advertising believability increases, the consumers preferred to buy the advertised brand. They buy the advertised product again and again and it creates brand loyalty. We have to understand that advertising alone is not a whole factor for brand loyalty but it is an important factor for brand loyalty.

## **2.22 Review of Related Studies in Nepal**

Upadhyaya (1981), conducted his master degree thesis on “Radio advertising and its impact of purchasing act in consumer’s goods.” He concluded that the effect of advertising is to be seen a new products rather than an old or existing products. The effective forms of media to reach the heart’s of consumers are radio, cinema and periodicals respectively. This study is based on primary as well as secondary data.

A study was conducted by Giri (1985), regarding “A study on the communication effect of advertising and brand preference” in his master degree thesis. This study was conducted to analyze the popular media of advertisement of brand preference and advertisement qualities of instant noodles. The Rara and Maggi brands of instant noodles are aware of brands. This study is based on primary data.

He concluded in his study that most of the people are aware of brands (Rara and Maggi ) of instant noodles because of their advertisement . Most of the uneducated people could not say any thing about the advertisement and radio advertisement is popular and effective to create awareness in customer than other media.

There are vary few research studies on the creative aspect of advertising up to 1990 when the total scenario of the county changed after the restoration of democracy, further study has done by the researcher. These studies are important because these studies have done under the changing condition when the government has adopted the liberal economic policy and made possible for opening industries and trade.

Development in the media sector provides various means of communication to the producer as well as consumes and public. It also creates awareness about the products. Increasing competition in the market brings the pressure on the companies to implement effective marking strategy. Research studies carried in these scenarios have immense benefits for the producers, consumers as well as the concerned one.

### **Brand Loyalty and Consumer Products**

This study is conducted and mainly focused to find out whether or not brand loyalty exist in the Nepalese consumer market while purchasing low involvement consumer products. Despite of the objectives, the studies are to analyze and overlook what is brand? What are correlates of brand loyalty? and how far these correlates are decisive to make a consumer

brand loyal in Nepalese market? What are the strategies further to be taken for making consumer brand loyal?

For this research work, some consumer products are taken, which are detergent soap, instant noodle, shaving blade, tooth paste and soft drinks. Though this study is found that consumer emphasis in brand and brand awareness to the Nepalese consumer is found to be high and majority of the Nepalese consumers are found brand loyal on the mentioned products and consumers give high important to brand name at the moment of purchasing. From the analysis of the collected data, it is found that the most of consumer are brand loyal. The Nepalese consumer market is rapidly growing, competition is being tough and tougher with this growth. Brand loyalty is very important for the achievement of competitive strength. Brand loyalty is absolutely a great asset of company. To achieve this assets, the company should implement the effective marketing strategy in the market. This study work has done by Pant (1993) on his master degree thesis on "A study on brand loyalty", submitted to Central Department of Management Kirtipur T.U. This study was baswd on primary data. Other study performed by Baral(1996)on his master degree thesis on " The communication Effect of Advertising and Brand Preference" submitted to Central Department of Management Kirtipur T.U.” This study was also based on primary data. The school students are the main source of data.

Another related study which was done by Ghimire(2000) on "Advertising through Television impact on consumer behaviour" in his masters degree thesis submitted to Central Department of Management Kirtipur T.U. This has the following objectives:

- a. To identify the present situation of T.V.
- b. To know what kind of advertising they prefer.
- c. To know how the different groups of people perceive the advertisement from television.

This study is based on the primary and secondary data. Major findings after the data analysis are as follows:

- a. People below SLC, SLC and uneducated people also prefer musical advertisement and other people prefer good wording advertisement.
- b. Many people watch the NTV advertisements and most of the people buy the products when they need and watch the advertisement.

- c. Mostly children, young age and old age people prefer musical advertisements where as other prefer good wording advertisement.
- d. Advertisement helps to recall the brand.
- e. Repetition of advertisement attracts peoples attention and they prefer to choose advertised products, if the price and quality of both products are same.

These are the major research studies done by different researcher on the subject of advertising, brand preference and loyalty through central department of management T.U. in the marketing subject.

No research has been carried out so far in Nepal about, “advertising impact on brand choice and brand loyalty “ to find out how consumers behave with different brands of toothpaste available in the market due to advertisement. Advertising role on brand choice and brand loyalty of this product are still unknown. Therefore this study conducted mainly to find out the impact of advertising on brand choice and brand loyalty for toothpaste brand available in the market.



## **CHAPTER - THREE**

### **RESEARCH METHODOLOGY**

#### **3.1 Introduction**

Research methodology is a way to solve research problem systematically. It facilitates the research work and brings reliability and validity on it. It discusses the procedure employed on the study including data collection and analysis. A research work should be effective, accruable and useful and it should follow scientific methods. The research methodology employed in this study is given below:

#### **3.2 The Research Design**

The main aim of this study is to examine the impact of advertising in the course of brand choice and brand loyalty with special reference to toothpaste .So, a survey research design is applied for this study. The data and information collected from the survey are coded, tabulated, analyzed and interpreted according to the need of the study for attaining stated objectives.

#### **3.3 The Population**

The population for this study comprised all the consumer of 16 or more than 16 years of age exposed to advertisement of toothpaste brand through different media (i.e. TV. Radio/F.M., Newspaper etc.) Data on exact number of such consumer is not available.

This study has taken only literate consumers with different academic background, which is from below SLC level to post graduate or above level. The respondents represent the resident of Bharatpur municipality and people residing in Bharatpur for a period of more than a year have been included in this study.

#### **3.4 Respondents Profile**

Segmentation by Sex

Sex	No. of Respondent	Percent
Male	88	55
Female	72	45

### Age

	No. of Res.	Percentage	No. of Res.	Percentage
16-30	63	71.59	47	65.28
31-45	19	21.59	20	27.78
46 or over	6	6.82	5	6.94
Total	88	100	72	100

### Profession

	No. of Res.	Percentage	No. of Res.	Percentage
Student	36	40.91	39	54.17
Service	38	43.18	20	27.78
Business	14	15.91	13	18.05
Total	88	100	72	100

### Segmentation by Age

Age	16-30		31-45		46 or above	
	No. of Res.	Per.	No. of Res.	Per.	No. of Res.	Per.
Male	63	57.27	19	48.72	6	54.55
Female	47	42.73	20	51.28	5	45.45
Total	110	100	39	100	11	100

### Profession

Profession	16-30		31-45		46 or above		Total
	Male	Female	Male	Female	Male	Female	
Student	34	34	1	4	1	1	75
Service	22	9	11	7	5	4	58
Business	7	4	7	9	-	-	27
Total	63	47	19	20	6	5	160

### Segmentation by Education

Education Level	16-30		31-45		46 or above		Total
	Male	Female	Male	Female	Male	Female	
Below SLC	2	3	-	-	-	1	6
SLC	1	-	4	10	-	-	15
Intermediate	7	10	3	4	2	2	28
Graduate	40	27	6	3	2	1	79
Post Graduate	13	7	6	3	2	1	32
<b>Total</b>	<b>63</b>	<b>47</b>	<b>19</b>	<b>20</b>	<b>6</b>	<b>5</b>	<b>160</b>

### Segmentation by Family Size

Family Size	16-30		31-45		46 or above		Total
	Male	Female	Male	Female	Male	Female	
Living Alone	8	6	-	-	-	-	14
With friends	18	4	6	2	2	-	32
Small family	26	23	9	11	1	4	74
Large family	11	14	4	7	3	1	40
<b>Total</b>	<b>63</b>	<b>47</b>	<b>19</b>	<b>20</b>	<b>6</b>	<b>5</b>	<b>160</b>

### 3.5 The Sampling Procedure

The population of this study is very large. So out of these populations only 160 (88 males and 72 females) consumers are taken for research study. The respondents are selected as samples using judgmental (i.e. non random) sampling. The logic behind using judgmental sampling for this study is the small size of sample in comparison to the population.

The respondents for the sample were selected from different places of Bharatpur municipality as Saptagandaki Multiple College, Balkumari College, Chitwan Science

College, Birendra Multiple College, Private and Government Offices, Banks, Hotel and from different professions.

### 3.6 The Data Collection Procedure

A set of structured questionnaire was designed in view of the data requirements. The questionnaire contained objective type of questions. The total 150 questionnaire were served. Almost all the respondents who were approached for answer readily agreed to respond to the question. The respondents were supported by oral explanation in inability to understand and content in the questionnaire. They were assumed that their responses would be kept confidential.

### 3.7 The Data Analysis Procedure

The collected data are categorized, tabulated, processed and analyzed using different methods. In the course of data analysis, simple percentage analysis, along with descriptive statistics have been used.

In the course of tabulation, the collected data has been presented by giving them different ranking which is remarked as no. 1 up to 7, this means where the total weights in numerical form is small that is highly important factors while considering specific brand choice.

#### 3.7.1 Uses of Descriptive Analysis

“The simple arithmetic average in which all the items are assumed to be equally important in the distribution but in practice, this may not be so the relative importance of items in the distribution may be greater than the other. So, in such a case proper weighted should be given to various items”(Bajracharya, B.C., Business Statistics and Mathematics, M.K. Publishers and Distributor; 2060 B.S: 105) For example: advertising, price, quality, taste etc in such case we use weighted arithmetic mean to calculate the importance of these variables.

Mathematically, let  $W_1, W_2, W_3, \dots, W_n$  be the weights given to the variable values.

Weighted arithmetic mean denoted by  $\bar{X}_w$  is defined by :

$$\bar{X}_w = \frac{W_1X_1 \Gamma W_2X_2 \Gamma \dots \Gamma W_nX_n}{W_1 \Gamma W_2 \Gamma \dots \Gamma W_n} = \frac{WX}{W}$$

## CHAPTER FOUR

### PRESENTATION AND ANALYSIS OF DATA

This chapter is incorporated presentation and analysis of data. The data and information related to impact of advertising on brand choice and brand loyalty of toothpaste are collected from consumers and presented, analyzed and interpreted in this chapter for attaining the stated objectives of the study. Different statistical tools are applied for the data analysis. Analysis is done according to gender, age, education level and family size.

**Table No. 4.1**

#### **Knowledge about the advertisement of Toothpaste**

Response	No. of Respondents	Present
Yes	160	100
No	0	0
Total	160	160

The above table shows that respondents' response towards the advertisement of toothpaste. They have asked that have you seen/read/ heard the advertisement of toothpaste. In the response, 100 percent respondents responded yes, they have seen/read/heard the advertisement of toothpaste.

**Table No. 4.2**

#### **Medium of Knowledge about the Advertisement of Toothpaste**

Medium	No. of Respondents	Total	Percent
Newspaper	111	160	69.38
Magazine	76	160	47.50
Television	151	160	94.37
Radio/FM	112	160	70.0
Outdoor/ Hoarding	67	160	41.87
Others	23	160	14.38

The above table presents the medium of knowledge about the advertisement of toothpaste. A consumer gets the knowledge about the advertisement of toothpaste from not only medium, but from different medium at the same time. A consumer may see it in Television or Hoarding/ outdoor, hear on Radio/ FM, read on Newspaper, Magazine etc. 69.38 % consumers get the knowledge from Newspaper, at the same time, 47.50 % get

the knowledge from magazine, 94.37% from Television, 70% from Radio/FM, 41.87 % from outdoor/ Hoarding and 14.38 % from other mediums.

Most of the consumers get the knowledge about the advertisement of toothpaste from Television. Radio/ FM and Newspaper hold second and third position respectively.

**Table No. 4.3**  
**Preferred Brand of Toothpaste as 1<sup>st</sup> Choice**

Brands	No. of Respondents	Percents
Close-up	60	37.50
Colgate	41	25.62
Pepsodent	31	19.37
Dabur Red	18	11.25
Anchor	5	3.13
Others	5	3.13
Total	160	100

The above table shows the preferred Brand of toothpaste as 1<sup>st</sup> choice of consumers. Close-up is the popular brand, 37.50% consumers preferred it. Colgate is selected by 25.62%, It holds second position, Pepsodent is in the third position, preferred by 19.37 % consumers followed by Dabur Red, which is selected by 11.25% , Anchor is selected by 3.13 % and others by 3.13 % consumers.

**Table No. 4.4**  
**Preferred Brand of Toothpaste as 2<sup>nd</sup> choice**

Brands	No. of Respondents	Percent
Close-up	48	30
Colgate	39	24.37
Pepsodent	41	25.63
Dabur Red	18	11.25
Anchor	8	5
Others	6	3.75
Total	160	100

Above table shows the preference of toothpaste brands as 2<sup>nd</sup> choice. According to the table, Close-up is preferred by 30 % consumers as 2<sup>nd</sup> choice Brand. Colgate is selected by 24.37 % ,Peepsodent by 25.63%, Dabur Red by 11.25 %t, Anchor by 5 % and others by 3.75 % consumers. Again, Close-up holds first position among those brands as 2<sup>nd</sup> choice of consumers, followed by Colgate, Pepsodent, Dabur Red, Anchor and others respectively.

### **Hypothesis No. 1**

H<sub>0</sub> : Brand preference by consumers as 1<sup>st</sup> choice and 2<sup>nd</sup> choice are not significantly different.

H<sub>1</sub> : Brand preference by consumers as 1<sup>st</sup> choice and 2<sup>nd</sup> choice are significantly different.

Since the computed value  $x^2$  is 3.555, whereas it's tabulated value of  $X^2$  at 5% level of significance for 5 degree of freedom is 11.07. Here, computed value of  $x^2$  is less than tabulated  $x^2$  therefore H<sub>0</sub> is accepted, i.e. we conclude that the brand preference by consumers as 1<sup>st</sup> choice and 2<sup>nd</sup> choice are not different.

**Table No. 4.5**

#### **Advertising Believability of Toothpaste Brand**

Response Degree	No. of Respondents	Percent
I believe fully	23	14.37
I believe to some extent	88	55
I don't know	4	2.50
I don't believe so much	33	20.63
I don't believe at all	12	7.50
Total	160	100

The above table presents the advertising believability of toothpaste Brand, where 14.37% consumers believe fully in the advertisement, 55% consumers believe to some extent, 2.50 % are indifferent, 20.63% don't believe so much and 7.50% consumers don't believe at all. By the analysis of above table, it is concluded that majority of consumers believe in advertising. However, the degree may be different.

**Table No. 4.6**  
**Impact of Advertising on Choosing the Toothpaste Brand**

<b>Response</b>	<b>No. of Respondents</b>	<b>Percent</b>
Yes	130	81.25
No.	23	14.38
Don' Know	7	4.37
<b>Total</b>	<b>160</b>	<b>100</b>

The above table shows the consumer's response on advertising impact on choosing the toothpaste brand, where, 81.25 % consumers are agreed that advertising has definitely impact on choosing a particular toothpaste brand, 14.38 % consumers are disagreed on it and rest 4.37 % don't know about it. By the study, it is concluded that advertising has impact on choice behavior of consumers, in case of toothpaste.

**Table No. 4.7**  
**Advertisement Preferences of Toothpaste Brand**

<b>Toothpaste Brands</b>	<b>No. of Respondents</b>	<b>Percent</b>
Closeup	83	51.88
Pepsodent	31	19.37
Dabur Red	19	11.87
Colgate	22	13.75
Anchor	3	1.88
Others	2	1.25
<b>Total</b>	<b>160</b>	<b>100</b>

The above table presents the advertisement preference of toothpaste brand by consumers. Closeup's advertisement is preferred by 51.88 % consumers, Pepsodent's advertisement is preferred by 19.37 % consumers, followed by Dabur Red's advertisement, which is liked by 11.87 % consumers. 13.75 % consumers prefer the Colgate's advertisement. Whereas Anchor's advertisement is liked by 1.88 % and preference for other brands' advertisement is 1.25%.

From analyzing data, it is found that majority of the consumers give preference to the advertisement of Closeup.



**Table No. 4.8**

**Medium Preference for the Advertising of Toothpaste Brand**

<b>Medium</b>	<b>No. of Respondents</b>	<b>Percent</b>
Newspaper	11	6.87
Magazine	4	2.50
Television	125	78.13
Radio/F.M.	16	10
Outdoor/Hording	4	2.50
Others	-	-
<b>Total</b>	<b>160</b>	<b>100</b>

The above table shows the medium preference for the advertising of toothpaste brand. 160 consumers are asked to prefer the medium for toothpaste brand advertising. In which, 6.87 % consumers prefer the newspaper as advertising medium, 2.5 % like the magazine, whereas 78.13 % consumers are preferred the television followed by Radio/FM, which is liked by 10 % consumers. 2.5 % consumers like outdoor/hoarding and there is no any respondent for other medium.

By the above table, it is concluded that the television is the most preferred medium for toothpaste brand advertising.

**Table No. 4.9**

**Preferred Benefits to Buy the Toothpaste**

<b>Benefits</b>	<b>Pleasant flavor</b>	<b>Avoid tooth decay</b>	<b>Brighter teeth</b>	<b>Stronger gum</b>	<b>Economy</b>
<b>Weighted mean</b>	3.22	2.68	2.01	3.04	4.04

The above table presents the preferred benefits to buy the toothpaste. Respondents are asked to rank the benefits according to their preference on benefits to buy the toothpaste. The table shows that weighted arithmetic mean of brighter teeth is 2.01, weighted mean of Avoid tooth decay is 2.68, stronger gum's mean is 3.04, pleasant flavor has 3.22 weighted mean and economy has 4.04.

By the above study, it is found that brighter teeth have smaller weighted mean than other benefits. So, it is concluded that brighter teeth is the first preferred benefits among other benefits while buying toothpaste. Other benefits like avoid tooth decay, stronger gum, pleasant flavor and economy come respectively.

**Table No. 4.10**  
**Duration of Using Current Brand**

<b>Duration</b>	<b>No. of Respondents</b>	<b>Percent</b>
Less than 1 year	50	31.25
1-3 years	48	30
More than 3 years	62	38.75
<b>Total</b>	<b>160</b>	<b>100</b>

The above table shows the duration (period) of using the current brand of toothpaste. In which, 31.25 % consumers are using current brand less than one year, while 30% consumers are using current brand from (1-3) years and 38.75 % are using it from long duration, more than 3 years. The study results state that most of the consumers have been using the current brand of toothpaste from the long period of time.

**Table No. 4.11**  
**Advertising Believability of Toothpaste Brand According to Gender**

<b>Response Degree</b>	<b>Male</b>		<b>Female</b>	
	<b>No. of Res.</b>	<b>Percent</b>	<b>No. of Res.</b>	<b>Percent</b>
I believe fully	11	12.50	12	16.66
I believe to some extent	52	59.29	36	50
I don't know	2	2.27	2	2.78
I don't believe so much	22	25	11	15.28
I don't believe at all	1	1.14	11	15.28
<b>Total</b>	<b>88</b>	<b>100</b>	<b>72</b>	<b>100</b>

Table 4.11 presents the advertising believability of Toothpaste Brand according to Gender. It is found that 12.50 % believe fully in the advertisement, 59.09 % believe up to

some extent, 2.27 % don't know how far they believe, 25 % show lower degree of believability and 1.14 % don't believe in the advertisement in case of male respondents.

The same table indicates that 16.66 % respondents believe fully, 50 % believe unto some extent, 2.78 % haven't expressed any view, 15.28% show lower degree of believability and 15.28 % don't believe at all.

In both cases, advertising believability is satisfactory because most of the respondents believe on it.

**Table No. 4.12**

**Impact of Advertising on Choosing the Toothpaste Brand According to Gender**

Response	Male		Female	
	No. of Res.	Percent	No. of Res.	Percent
Yes	71	80.68	59	81.94
No	13	14.77	10	13.89
Don't Know	4	4.55	3	4.17
<b>Total</b>	<b>88</b>	<b>100</b>	<b>72</b>	<b>100</b>

The above table shows the impact of advertising on choosing the toothpaste brand according to gender. It shows that 80.68 % male respondents are agreed on it, 14.77 % disagree with it and 4.55 % respondents haven't any idea on it. In the case of female respondents, 81.94% respondents are agreed with it, 13.89% and rest 4.1% respondent's respondent that they don't know about it.

In the both cases, most of the respondents are agreed that advertising has impact on choosing the toothpaste brand.

**Table No. 4.13****Advertisement Preference of Toothpaste Brand According to Gender**

Toothpaste Brand	Male		Female	
	No. of Res.	Percent	No. of Res.	Percent
Closeup	50	56.82	33	45.83
Pepsodent	15	17.04	16	22.22
Dabur Red	12	13.64	7	9.72
Colgate	9	10.22	13	18.06
Anchor	1	1.14	2	2.78
Others	1	1.14	1	1.39
Total	88	100	72	100

The above table shows the advertisement preference of toothpaste brand according to Gender. Where, it is found that 56.82 % male respondents prefer the advertisement of Closeup, 17.04 % prefer the advertisement of Pepsodent, 13.64% prefer the advertisement of Dabur Red, 10.22% prefer the advertisement of Colgate, 1.14 % and 1.14 % prefer the advertisement of Anchor and others respectively.

In case of female respondents, 45.83 percent prefer the advertisement of Closeup, 22.22 % prefer the advertisement of Pepsodent, 9.72% prefer the advertisement of Dabur Red, 18.06 % prefer the advertisement of Colgate, 2.78 % and 1.39 % prefer the advertisement of Anchor and others respectively.

In the both case, it is found that most of the respondents prefer the advertisement of Closeup. It is also concluded that female respondents prefer the advertisement of Colgate than male respondents.

**Table No. 4.14****Medium Preference for the Advertising of Toothpaste Brand According to Gender**

<b>Medium</b>	<b>Male</b>		<b>Female</b>	
	<b>No. of Res.</b>	<b>Percent</b>	<b>No. of Res.</b>	<b>Percent</b>
Newspaper	4	4.55	7	9.72
Magazine	-	-	4	5.56
Television	72	81.81	53	73.61
Radio/F.M.	8	9.09	8	11.11
Outdoor/Hoarding	4	4.55	-	-
Others	-	-	-	-
<b>Total</b>	<b>88</b>	<b>100</b>	<b>72</b>	<b>100</b>

The above table is related to the medium preference for the advertising of toothpaste brand according to Gender. It shows that 4.55 % respondents prefer the Newspaper, no one for Magazine, 81.81 % prefer the television, 9.09 % prefer the Radio/F.M., 4.55 % outdoor/Hoarding and there are no any respondents for other medium in the case of male respondents.

The same table presents that 9.72% female respondents prefer the Newspaper, 5.56% prefer the magazine, 73.61 %prefer Television, where 11.11% prefer Radio/FM and there are no any respondents for outdoor/Hording and other medium.

In both case, it is found that Television is the most preferred medium for advertising of toothpaste brand, followed by Radio/FM and Newspaper respectively.

**Table No. 4.15****Role of Advertising in Changing Brand of Toothpaste According to Gender**

Response Degree	Male		Female	
	No. of Res.	Percent	No. of Res.	Percent
Advertising is fully responsible	20	22.73	12	16.67
Advertising is responsible to some extent	43	48.86	39	54.17
I don't know	4	4.55	5	6.94
Advertising played not much role	13	14.77	11	15.28
Advertising played no role at all	8	9.09	5	6.94
<b>Total</b>	<b>88</b>	<b>100</b>	<b>72</b>	<b>100</b>

The above table shows the role of advertising in changing Brand of toothpaste according to Gender. The table shows that 22.73 % male respondents believe the role of advertising is fully responsible for changing brand, 48.86% believe up to some extent, 4.55 % don't know the role of advertising, 14.77% believe its role up to lower degree and 9.09% don't believe at all.

The same table shows female respondents regarding the role of advertising in changing brand, where 16.67 % believe the role of advertising is fully responsible, 54.17 % believe up to some extent, 6.94 % are indifferent in their expression, 15.28 % believe it played not much role and 6.94 % don't believe on the role of advertising in changing brand.

In the both cases, it is found that the role of advertising in changing brand is effective and important.

**Table No. 4.16****Advertising Believability of Toothpaste Brand According to Age**

Response Degree	Age (16-30)		Age (31-45)		Age (46 or over)	
	No. of res.	Percent	No. of res.	Percent	No. of res.	Percent
I believe fully	12	10.91	6	15.39	5	45.46
I believe to some extent	66	60	18	46.15	4	36.36
I don't know	1	0.91	3	7.69	-	-
I don't believe so much	22	20	9	23.08	2	18.18
I don't believe at all	9	8.18	3	7.69	-	-
Total	110	100	39	100	11	100

Table 4.30 is related to the advertising believability of Toothpaste Brand According to Age. The respondents with age of 16-30 responded that 10.91 % believe fully, 60 % consumers believe in the advertising up to some extent, 0.91% doesn't know how far they believe in advertising ,at the same time 20 % believe that advertising is less effective and 8.18 % have shown negative attitude towards advertising.

The above table with the respondents of 31-45 age group, where 15.39 % believe fully, 46.15 % believe up to some extent, 7.69 % don't know, whether they believe or not, 23.08 % don't believe so much and 7.69% don't believe at all.

In the same way, the respondents of 46 or over age group, where 45.46 % respondents believe fully on advertising of toothpaste brand, 36.36 % believe up to some extent, no any respondent for don't know, 18.18 % don't believe so much and there are no any respondents for don't believe at all to the advertising. After the study, it is found that advertising believability is satisfactory.

**Table No. 4.17**

**Impact of Advertising on Choosing the Toothpaste Brand According to Age**

Response	Age (16-30)		Age (31-45)		Age (46 or over)	
	No. of res.	Percent	No. of res.	Percent	No. of res.	Percent
Yes	89	80.91	30	76.92	11	100
No	16	14.54	7	17.95	-	-
Don't know	5	4.55	2	5.12	-	-
Total	110	100	39	100	11	100

The above table shows the impact of advertising on choosing the toothpaste brand. It shows that with the age group of 16-30, 80.91 % respondents agree that there is impact of advertising on choosing the toothpaste brand, whereas 14.54% disagree and 4.55% respondents are responded that they don't know.

The same table with the age group of 31-45 shows that 70.92 % respondents agree on it, 17.95% disagree and 5.12% respondents haven't any idea about it.

Similarly, the respondents of 46 or over age group, where, absolutely 100 % agree that advertising has an impact on choosing the toothpaste brand and there are no any respondents for other response.

After analyzing the above table, it is concluded that definitely advertising has an impact on selecting the toothpaste brand.

**Table No. 4.18**  
**Advertisement Preference of Toothpaste Brand According to Age**

Toothpaste Brand	Age (16-30)		Age (31-45)		Age (46 or above)	
	No. of Res.	Percent	No. of Res.	Percent	No. of Res.	Percent
Closeup	63	57.27	15	38.46	5	45.46
Pepsodent	23	20.91	6	15.39	2	18.18
Dabur Red	14	12.73	3	7.69	2	18.18
Colgata	9	8.18	11	28.21	2	18.18
Anchor	-	-	3	7.69	-	-
Others	1	0.91	1	2.56	-	-
<b>Total</b>	<b>110</b>	<b>100</b>	<b>39</b>	<b>100</b>	<b>11</b>	<b>100</b>

The above table presents the advertisement preference of toothpaste brand according to age. It shows the preference of advertisement by the respondents of the age 16-30, where 57.27% consumers like advertisement of Closeup, 20.91% like advertisement of Pepsodent, 12.73% prefer the advertisement of Dabur Red, 8.18 % prefer Colgate's advertisement, there are no any respondents for advertisement of Anchor and only 0.91% respondents prefer other brand's advertisement.

The same table with the age group of 31-45 shows that 38.46% of the consumers like Closeup's advertisement, 15.39% like Pepsodent's, 7.69 % like Dabur Red's, 28.21% like Colgate's, 7.69% Anchor's and 2.56% brand's advertisement.

Similarly, the respondents of age 46 or over expressed their preference on toothpaste brand's advertisement, where 45.46% respondent are preferred the advertisement of



Closeup, 18.18 % prefer Pepsodent's advertisement, 18.18 % and 18.18% consumer prefer the advertisement of Dabur Red and Colgate respectively. There are no any respondents for Anchor and other brand's advertisement in this age group.

By the table, it is concluded that advertisement of Closeup is most preferred among these brand's advertisement.

**Table 4.19**

**Medium Preference for the Advertising of Toothpaste Brand According to Age**

Medium	Age (16-30)		Age (31-45)		Age (46 or over)	
	No. of Res.	Percent	No. of Res.	Percent	No. of Res.	Percent
Newspaper	7	6.36	3	7.69	1	9.09
Magazine	4	3.64	-	-	-	-
Television	86	78.18	30	76.93	9	81.82
Radio/FM	10	9.09	5	12.82	1	9.09
Outdoor/ Hoarding	3	2.73	1	2.56	-	-
Others	-	-	-	-	-	-
Total	110	100	39	100	11	100

The above table is related to the medium preference for the advertising of toothpaste brand according to age. From the age group of 16-30, it is observed that 6.36% respondent prefer Newspaper for toothpaste brand advertising, 3.64% prefer Magazine, 78.18% prefer the Television as medium for toothpaste brand advertising, 9.09% prefer the Radio/FM, 2.73 % Outdoor/Hoarding and no response for other medium.

The same table with the age group of 31-45 shows that 7.69% respondents like Newspaper as medium, no response for Magazine in this age group, 76.93% prefer Television, 12.82% prefer Radio/FM, 2.56% prefer Outdoor/Hoarding and nobody responded for other.

Similarly, the respondents of age 46 or over responded their preference on advertising medium for toothpaste brand, where 9.09% respondents prefer Newspaper for toothpaste brand advertising, no response for Magazine, where 81.82% respondents prefer

Television, 9.09% prefer Radio/FM and there are no any respondents for Outdoor/Hoarding and other medium.

After analyzing the table, it is concluded that Television is the most preferred medium for toothpaste brand advertising. After Television, Radio/FM and Newspaper comes respectively as preferred medium.

**Table No. 4.20**

**Advertising Believability of Toothpaste Brand According to Education Level**

Response Degree	Below SLC		SLC		Intermediate		Graduate		Post Graduate/Above	
	No. of Res.	%	No. of Res.	%	No. of Res.	%	No. of Res.	%	No. of Res.	%
I believe fully	2	33.33	-	-	7	25	10	12.66	4	12.50
I believe to some extent	3	50	7	46.67	17	60.72	42	53.16	19	59.38
I don't know	-	-	-	-	-	-	1	1.27	3	9.37
I don't believe so much	-	-	5	33.33	3	10.71	20	25.32	5	15.63
I don't believe at all	1	16.67	3	20	1	3.57	6	7.59	1	3.12
Total	6	100	15	100	28	100	79	100	32	100

Above table shows the advertising believability of toothpaste brand according to education level. In the case of respondents with below SLC level education, 33.33 % believe fully, 50 % believe up to some extent, there are no any respondents for don't know and don't believe so much and 16.67 % don't believe at all.

In case of respondents with SLC level education, no one believe fully, 46.67 % believe up to some extent, no response for don't know, 33.33% don't believe so much and 20% don't believe at all.

Similarly, respondents with intermediate level education, 25% believe fully, 60.67% believe up to some extent, 10.71% don't believe so much and 3.57 % don't believe at all.

Likewise, among the respondents of graduate level education background, 12.66% believe fully, 53.16 % believe up to some extent, 1.27% don't know, whether they believe or not, 25.32 % don't believe so much and 7.59 % don't believe at all.

Among the respondents who have post graduate degree or above, 12.50 % believe fully, 59.38 % believe up to some extent, 9.37 % don't know about it, 15.63 % don't believe so much and 3. 12% don't believe at all.

In all the cases, most of the respondents have shown advertising believability fully and up to some extent, therefore advertising believability is satisfactory.

**Table No. 4.21**  
**Impact of Advertising on Choosing the Toothpaste Brand According to Education Level**

Response	Below SLC		SLC		Intermediate		Graduate		Post Graduate/Above	
	No. of Res.	%	No. of Res.	%	No. of Res.	%	No. of Res.	%	No. of Res.	%
Yes	5	83.33	10	66.67	26	92.86	64	81.01	25	78.13
No	1	16.67	5	33.33	1	3.57	12	15.19	4	12.50
Don't Know	-	-	-	-	1	3.57	3	3.80	3	9.37
Total	6	100	15	100	28	100	79	100	32	100

Above table presents the impact of advertising on choosing the toothpaste brand according to education level. The table shows that 83.33% respondents having below SLC level education are agreed and 16.67 % are disagreed on advertising has impact on choosing the toothpaste brand. In the case of respondents with SLC level education, 66.67% are agreed and 33.33 % are disagreed.

Similarly, respondents with intermediate level education, 92.86% agree, 3.57 % disagree and 3.57% don't know whether the advertising has impact on choosing the toothpaste brand or not.

Likewise, among the respondents of graduate level education, 81.01% agree, 15.19 % disagree and 3.80 % don't know. Among the respondents who have post graduate degree or above 78.13 % on it and 12.50 % disagree and 9.37 % don't know about it.

In all the five cases, most of the respondents are agreed that advertising has an impact on choosing the toothpaste brand. It is concluded that advertising plays important role in the course of brand selection.

**Table No. 4.22**

**Advertisement preference of Toothpaste Brand According to Education Level**

Response	Below SLC		SLC		Intermediate		Graduate		Post Graduate/Above	
	No. of Res.	%	No. of Res.	%	No. of Res.	%	No. of Res.	%	No. of Res.	%
Closeup	3	50	5	33.33	16	57.14	42	53.16	17	53.12
Pepsodent	3	50	2	13.33	4	14.29	18	22.78	4	12.50
Dabur Red	-	-	1	6.67	5	17.86	8	10.13	5	15.63
Colgate	-	-	4	6.67	3	10.71	10	12.66	5	15.63
Anchor	-	-	3	20	-	-	-	-	-	-
Others	-	-	-	-	-	-	1	1.27	1	3.12
Total	6	100	15	100	28	100	79	100	32	100

The above table is related to the advertisement preference of toothpaste brand according to education level. In the case of respondents with below SLC level education, 50% prefer the advertisement of Closeup and rest 50 % prefer the advertisement of Pepsodent.

The same table with respondent of SLC level education, 33.33 % prefer Closeup's advertisement, 13.33% prefer Pepsodent's advertisement, 6.67 % prefer Dabur red's

advertisement, 26.67% prefer Colgate's advertisement and 20 % prefer Anchor's advertisement. Similarly, respondents with intermediate level education, 57.14% prefer Colseup's advertisement, 14.29 % prefer Pepsodent's, 17.86 % prefer Dabur Red's, 10.71% Colgate's and no response for Anchor and other brands' advertisement.

Likewise, among the respondents of graduate level education, 53.16% prefer advertisement of Colseup, 22.78 % prefer Pepsodent's 10.13% prefer Dabur Red's, 12.66% Colgate's, no preference for Anchor and 1.27 % prefer the advertisement of other brand.

Among the respondents who have post graduate degree or above, 53.12 % prefer the advertisement of Closeup, 12.50 % prefer the advertisement of Pepsodent, 15.63% Dabur Red's, 15.63 % prefer Colgate's, no any respondent's for Anchor and 3.12% prefer the advertisement of other brand. In all the cases, most of the respondents prefer the advertisement of Colseup than other listed brands. So, the advertisement of Colseup is popular and effective too.

**Table No. 4.23**  
**Medium Preference for the Advertising of Toothpaste Brand According to Education Level**

Medium	Blow SLC		SLC		Intermediate		Graduate		Post Graduate/Abve	
	No. of Res.	%	No. of Res.	%	No. of Res.	%	No. of Res.	%	No. of Res.	%
Newspaper	2	33.33	-	-	1	3.57	4	5.06	4	12.50
Magazine	-	-	-	-	2	7.14	2	2.53	-	-
Television	3	50	14	93.33	22	78.57	61	77.22	25	78.13
Radio/FM	-	-	1	6.67	1	3.57	11	13.92	3	9.37
Outdoor/ Hoarding	1	16.67	-	-	2	7.14	1	1.27	-	-
Others	-	-	-	-	-	-	-	-	-	-
Total	6	100	15	100	28	100	79	100	32	100

The above table shows the medium preference for the advertising of toothpaste brand according to education level. In the case of respondents with below SLC level education, 33.33% prefer newspaper as advertising medium, 50% prefer Television and 16.67 % prefer outdoor/hoarding medium for advertising.

In case of respondents with SLC level education, 93.33% prefer television, 6.67 % prefer Radio/FM and there are no respondents for rest medium.

Similarly, respondents with intermediate level education, 3.57% prefer newspaper, 7.14 percent prefer Magazine, 78.57% prefer television, 3.57 % prefer Radio/FM, 7.14% prefer Outdoor/Hoarding and no response for other medium.

Likewise, among the respondents of graduate level education, 5.06 % prefer the newspaper for advertising toothpaste brand, 2.53% prefer Magazine, 77.22 % prefer television, 13.92% prefer Radio/FM, 1.27% prefer Outdoor/Hoarding and there is no response for other medium.

Among the respondents who have post graduate degree or above, 12.5% prefer the newspaper for advertising of toothpaste brand, no response for magazine, 78.13% prefer television, 9.37% prefer Radio/FM and there are no any respondents for Outdoor/Hoarding and other medium.

In all the cases, most of the respondents prefer the Television as advertising medium for toothpaste brand. After Television, Radio/FM and Newspaper comes respectively. It is concluded that television is most popular and effective medium for toothpaste brand advertising.

**Table No. 4.24****Advertising Believability of Toothpaste Brand According to Family Size**

Response Degree	Living Alone		With Friends		Small Family		Large Family	
	No. of Res.	Percent	No. of Res.	Percent	No. of Res.	Percent	No. of Res.	Percent
I believe fully	2	14.29	5	15.62	11	14.86	5	12.50
I believe to some extent	7	50	21	65.63	41	55.41	19	47.50
I don't know	1	7.13	-	-	2	2.70	1	2.50
I don't believe so much	2	14.29	4	12.50	14	18.92	13	32.50
I don't believe at all	2	14.29	2	6.25	6	8.11	2	5
Total	14	100	32	100	74	100	40	100

Above table presents the advertising believability of toothpaste brand according to family size. In the case of consumer living alone, 14.29 % believe fully, 50 % believe up to some extent, 7.13 % don't express any idea, 14.29 % don't believe so much and 14.29% don't believe at all.

In case of respondents living with friends, 15.62% believe fully, 65.63 % believe up to some extent, 12.50% don't believe so much and 6.25% don't believe at all.

Likewise, the respondents from small family responded that 14.86% believe fully, 55.41% believe up to some extent, 2.70 % don't know whether they believe or not, 18.92% don't believe so much and 8.11% don't believe at all.

The respondents who are of large family responded that 12.50% believe fully, 47.50% believe up to some extent, 2.50 % are indifferent, 32.50 % don't believe so much and rest 5 percent don't believe at all on advertisement of toothpaste.

After analyzing the above table, it is found that most of the respondents have shown advertising believability up to some extent. So, advertising believability is satisfactory in the case of toothpaste.

**Table No. 4.25**

**Impact of Advertising on Choosing the Toothpaste Brand According to Family Size**

Response	Living Alone		With Friends		Small Family		Large Family	
	No. of Res.	Percent	No. of Res.	Percent	No. of Res.	Percent	No. of Res.	Percent
Yes	11	78.57	25	78.13	59	79.73	35	87.50
No	2	14.29	7	21.87	11	14.86	3	7.50
Don't Know	1	7.14	-	-	4	5.41	2	5
Total	14	100	32	100	74	100	40	100

The above table shows the impact of advertising on choosing the toothpaste brand according to family size. In case of respondents living alone, 78.57 % agreed that advertising has an impact on choosing the toothpaste brand, where 14.29 % are disagreed and 7.14 % don't know about it.

Similarly, among the respondents who live with friends, 78.13 % agreed on it and 21.87 % are disagreed on it.

Likewise, the respondents of small family responded that 79.73% are agreed on its impact on choosing the toothpaste brand, where 14.86% disagreed and 5.41% haven't any idea about it.

Among the respondents who are from large family, 87.50% are agreed on it, 7.50% are disagreed and rest 5 % are indifferent.

In all the cases, most of the respondents are agreed that advertising has an impact on choosing the toothpaste brand. So, it can be regarded as the impact of advertising positively.



**Table No. 4.26**

**Advertisement Preference of Toothpaste Brand According to Family Size**

Toothpaste Brand	Living Alone		With Friends		Small Family		Large Family	
	No. of Res.	Percent	No. of Res.	Percent	No. of Res.	Percent	No. of Res.	Percent
Closeup	9	64.28	16	50	33	44.60	25	62.50
Pepsodent	2	14.29	6	18.75	18	24.32	5	12.50
Dabur Red	3	21.43	4	12.50	10	13.51	2	5
Colgate	-	-	4	12.50	12	16.22	6	15
Anchor	-	-	1	3.13	1	1.35	1	2.50
Others	-	-	1	3.12	-	-	1	2.50
Total	14	100	32	100	74	100	40	100

Above table is related to the advertisement preference of toothpaste brand according to family size. In the case of respondents living alone, 64.28 % prefer the advertisement of Closeup, 14.29% prefer the Pepsodent's and 21.43% prefer Dabur Red's, there are no any respondents for Colgate, Anchor and Other Brand's advertisement.

Similarly, among the respondents who live with friends, 50% prefer Colseup's advertisement, 18.75 percent prefer Pepsodent's 2.50 percent prefer Dabur Red's whereas 12.50% prefer Colgate's advertisement, 3.13 % and 3.12 % prefer Anchor and other brads' advertisement respectively.

Likewise, the respondents of small family, 44.60% prefer advertisement of Closeup, 24.32% prefer Pepsodent's 13.51% prefer Dabur Red's, 16.22 % Colgate's. 1.35% prefers the advertisement of Anchor and no any response for other.

Among the respondents who are belong to large family responded that 62.50 % prefer the advertisement of Closeup, 12.50% prefer Pepsodent's, 5 % prefer Dabur Red's, whereas 15% prefer Colgate's, 2.50% prefer Anchor's and 2.50% prefer other brands advertisement.

By the above study, it is found that advertisement of Closeup is most preferred, whatever the family size.

**Table No. 4.27****Medium Preference For The Advertising of Toothpaste Brand According to Family Size**

Medium	Living Alone		With Friends		Small Family		Large Family	
	No. of Res.	%	No. of Res.	%	No. of Res.	%	No. of Res.	%
Newspaper	4	28.57	1	3.12	4	5.41	2	5
Magazine	-	-	1	3.13	2	2.70	1	2.50
Television	7	50	26	81.25	61	82.43	31	77.50
Radio/FM	1	7.14	4	12.50	5	6.76	6	15
Outdoor/Hoarding	2	14.29	-	-	2	2.70	-	-
Others	-	-	-	-	-	-	-	-
Total	14	100	32	100	74	100	40	100

The above table deals with the medium preference for the advertising of toothpaste brand according to family size. The table shows that, among the respondents who are living alone, 28.57 % prefer newspaper as advertising medium for toothpaste brand, no response for magazine, 50% prefer Television, 7.14% prefer Radio/FM, 14.29% prefer outdoor/hoarding and there are no any respondents for other medium.

Similarly, among the respondents living with friends, 3.12% prefer newspaper, 3.13% prefer Magazine, 81.25% television and 12.50% prefer Radio/FM as advertising medium for toothpaste.

Likewise, 5.41% respondents living in small family prefer newspaper for advertising, 2.70% prefer Magazine, 82.43% prefer Television, 6.76% prefer Radio/FM, 2.70% prefer outdoor/hoarding for advertising.

The same table shows 5% respondents who are from large family prefer Newspaper for advertising, 2.50% prefer magazine, 77.50% prefer television, 15% Radio/FM and there are no any respondents for outdoor/hoarding and other medium in this case.

By the above study, in all the cases, it is found that television is the most preferred medium followed by Radio/FM and Newspaper respectively.

### **Major Findings of the Study**

- ) The advertisers of toothpaste have realized the essence of advertising in the present situation of Nepalese market.
- ) Advertising is the main source of information about particular brand of toothpaste as well as most sensitive in the course of promotion.
- ) Almost all the consumers know about the advertisement of toothpaste brand.
- ) Most of the consumers know about the advertisement of particular product by Television along with other media, like Radio/F.M, Newspaper, Outdoor etc.
- ) The consumer involvement in purchasing process of toothpaste mostly self and choice decision also made mostly themselves for the toothpaste brands.
- ) While purchasing the toothpaste brand, most of the consumers have given the first preference to the quality of the product, price, test, viability, advertising sales schemes and other factors come respectively after quality.
- ) Most of the consumers prefer the Closeup as their first choice brand followed by Colgate.
- ) Colseup and Colgate again hold first and second position respectively as second choice brand.
- ) There is association between brand choice of toothpaste and advertising.
- ) Most of the consumers fell the advertisement message of mentioned toothpaste brands are informative.
- ) Response towards advertising believability is satisfactory. Even though it is selective. Most of consumers believe it up to some extent.
- ) Most of the consumers have said that advertising has an impact on choosing a particular toothpaste brand.
- ) Most of the consumers believe that advertising is responsible to some extent for choosing particular toothpaste brand.
- ) Advertisement of Closeup is most preferred advertisement of toothpaste brand by consumers.
- ) Television is the most preferred medium for advertising of toothpaste brand and effective too.

- ) Newspapers and magazines are widely preferred media in the developed countries. However in Nepal, these media are not so effective because of the low reading habits and economic constraints as well as it's quality.
- ) Consumers bought the toothpaste to get benefit of brighter teeth, other benefits come respectively after it.
- ) Wholesale/ Retail/ Cold Store is the main place for shopping of toothpaste. Supermarket/Department Store is not common for Nepalese consumers till yet.
- ) Advertising played an important role in staying in the current brand of toothpaste.
- ) Repeating an advertisement more frequently than the competitors affects the brand loyalty.
- ) There are no vast difference in the result of findings due to Gender, Age, Education level and Family size of the respondents.
- ) The effective advertising in time is regarded as the best tool for brand choice and loyalty.
- ) Most of the advertisement of toothpaste is attractive and effective too.
- ) The impact of advertising is regarded important in the course of brand choice and brand loyalty.

## **CHAPTER- FIVE**

### **SUMMARY, CONCLUSION AND RECOMMENDATIONS**

#### **5.1 Summary**

Marketing is a primary but complex function of every manufacturing as well as business house because they are producing and supplying plenty of goods and services over demand. Therefore, there is cut throat competition among marketers and they are also developing various promotional tools assist the marketing functions. Out of them advertising is only one. In order to survive in the complex uncontrolled external marketing environment, every marketer has to adopt at least one promotional tool. Advertising has being existing as an effective promotional tool since beginning of marketing.

Advertising is a most widely used promotional tool of modern marketing. Advertising is employed to accomplish certain task. This task may be to sell the product, service or idea, to inform or aware about the product, service or idea etc. Most of the big companies are using advertising as well as sales promotion to increase the sales of their products. Companies try to create favorable attitudes towards products, brands and motivate the consumers to purchase it and be loyal on it by using advertising. To achieve certain task or goal companies should employ advertising campaign. Before launching advertising campaign, an advertiser should be careful in the analysis of his product, market, trade channels and competition. He/ She must study the characters of trade, the territory to be cover, the audience to be reach, the media available and the other sales force that are to be utilized in conjunction to the advertising.

In the developed countries, advertising is a big business. A large expenditure is made on it and market without advertising is unimaginable. The Nepalese market is maturing day by day and there is more competition in the market. The essence of advertising is well recognized by the marketers. They realize advertising as an important promotional tool of persuasion to the mass. We are far behind in the advertising field compared to the advanced countries. Even though, these days, manufacturers or business houses and advertising agencies are trying to develop constructive advertising in Nepal. Advertising

has a good future in here. Advertising as an economic tools helps to boost the economic growth of the country. It is a foundation of business rather than luxury.

The population of this study is the consumers of toothpaste, who are exposed to the advertisement of toothpaste brand by deferent medium. The sample of the study comprised of 160 consumers in Bharatpur Municipality. A judgmental sample method is use to select the samples. A well set of questionnaire is the main source of information. These questionnaires are served, collected and tabulated for analysis. Tabulated data are analyzed using possible statistical tools and percentage methods to attain the stated objectives of the study.

Advertising is the main source of information and key tool motivate and persuades to the consumers. Advertising supports, motivates and excites consumers on their decision making process. An effective advertisement influence the consumers to choose particular brand, at the same time develop positive attitude towards the brand and help to create brand loyalty. We have to understand that advertising alone can't do all expected job. To make advertising more effective, co-ordination and integration among promotional tools are required. First time purchase generally occurs because of advertising, but to make consumers frequent purchasers the role of quality, price and taste come first than advertising.

## **5.2 Conclusions**

Advertising has been established as an important promotional tool for consumer products, like toothpaste. Consumers get the knowledge about the products through different advertising media. Advertising has considered as the primary source of information. They are aware about the available brands of toothpaste and consider different factors while purchasing the brand. Where, quality is the main factor and other come respectively. Advertising believability is satisfactory and most of the consumers are agree that advertising is responsible for brand choice of toothpaste. However, the degree may be different.

Advertising of Closeup is dominated the market as favorite advertisement and television is the most favorite medium for advertising; radio/FM and newspaper hold second and third position. Advertising played important role to make consumer brand loyal but not

ultimate. Other factor comes later and brand loyalty varies across consumers. Some consumers are more brand loyal than others and vice-versa.

### **5.3 Recommendation**

Advertising no longer provides commodity information. They have become a part of life. For the sake of making consumers well informed, it is becoming more important in advertising to provide suggestions on various aspects of daily life. Advertisement helps to collect information and knowledge needed to make one's daily life richer and pleasant.

Today products to be selling successfully needs better promotion and presentation. The product should be presented with better brand, label and package to win the heart of consumers. The belief that the products can be sold with only its core quality has now become history. People generally buy a product only after knowing about the product, that is why advertising plays a vital role in marketing, especially in the purchasing act and loyalty behavior of consumers.

Growing competition in the Nepalese consumer market create pressure on the manufacturers or sellers of the products or services. Therefore, understanding of the advertising impact on brand choice and brand loyalty helps to increase the competitive strength of manufacturers of sellers in the market. The following recommendations are made on the basis of findings of the study.

- ) Consumers are highly aware of brands through advertising. Advertising is the only tool, which reaches to the mass economically. So, the marketers of toothpaste are suggested to advertise their products through Television along with Radio/FM and Newspaper.
- ) As a whole, advertising believability is found satisfactory. Advertising tells people about the facts related with products and services. However, unfortunately, these days, there are too much untruthful, misleading, deceptive exaggerated advertising to attract the consumer. Advertising effectiveness depends a great deal upon consumer belief in its essential truthfulness. Therefore, to make advertising more believable and effective, it should be primarily concentrated towards the well-being of consumers by providing truthful and acceptable message.

- ) Informative and reminding the product/brand type of advertisement is suitable for the toothpaste brand. Therefore, marketers are suggested to use this type of advertisement.
- ) The impact of advertising in the course of choosing brand and brand loyalty is found to quite effective. Therefore, to make the impact stronger, other marketing variables such as place, product, price and promotion should be forwarded soundly and coordinated integration among them as felt necessary.
- ) Advertisement of Closeup is effective and leading the market. Other brand's advertisements are not getting proper popularity in the market as Closeup. Therefore, it should be better to other companies to fill this gap and make their strong presence in the market.
- ) Advertising brings the consumers to the store. Most of the consumers are found brand loyal even though their loyalty is not strong and entrenched. If they don't get desired brand, they use the alternative brand. In this case, the brand loyalty is broken due to the unavailability of the product/brand. So, the marketers are suggested to give proper attention on their distribution system.

Advertising is the life- blood of modern marketing, especially in the course of promotion. It is not just a charity but also a strategic promotional tool of modern marketing. Continuous studies on advertising impact on brand choice and brand loyalty should be made, so that it will give worthwhile of advertising and also provides the effective information and guideline for developing successful marketing strategy to cope neck-to-neck competition of the market.



# BIBLIOGRAPHY

## BOOKS

- Agrawal, G.R. (2000). *Marketing Management in Nepal*, Kathmandu: M.K. Publisher and Distributors.
- Ahuja, B.N. & Chhabra S.S. (1995). *Advertisin* (2<sup>nd</sup> ed.). New Delhi: Surget Publication,
- Bajrachrya, B.C. (2004). *Business Statistics and Mathematics*, Kathmandu: M.K. Publishers and Distributors.
- Batra, J.M, John, G. and Aakar, D.A. (1999). *Advertising Management* (5<sup>th</sup> ed.). New Delhi: Prentice Hall of India Ltd.
- Borton, R. (1985). *Advertisiting Handbook*(4<sup>th</sup> ed.). Englewood Cliffs, Prentice Hall of India.
- Bovee, C. L. and Arens, W. F. (1986). *Advertising*(2<sup>nd</sup> ed.). IRWIN Homewood, Illinois 60430 USA.
- Bovee, C.L. and Arens, W. F. (1992). *Advertising*, Boston, Rickhard D. IRWIN Inc, Homewood.
- Boyd H. W., Westfall, J. R and Stasch, S. F. (1998). *Marketing Research: Text and Cases*(7<sup>th</sup> ed.). Illinois, Richard D IRWIN inc, Homewood.
- Cateora, P. R. (1997). *International Marketing*(9<sup>th</sup> ed.). Singapore: Mc Graw- Hill, (International Edition).
- Chunawalla, S.A and Sethia, K.C. (1998). *Foundation of Advertising Theory and Practice*(4<sup>th</sup> ed.). Mumbai: Himalayan Publishing house.
- Jeffkins, F. (1999). *Advertising* (3<sup>rd</sup> ed.). New Delhi: MC Millan India Ltd.
- Joshi, P.R. (2001). *Research Methodology*(1<sup>st</sup> ed.). Kathmandu: Buddha Academic Publishers and Distributors Pvt. Ltd.
- Koirala, K.D. (1995). *Marketing Decisions*(4<sup>th</sup> ed.). Kathmandu: M.K. Publishers and Distributors.
- Kotler, P. (1990). *Marketing Management Analysis Planning and Control*(6<sup>th</sup> ed.). New Delhi: Prentice Hall of India (Pvt.) Ltd.
- Kotler, P. (2000). *Marketing Management*(Millenium ed.). New Delhi: Prentice Hall of India.

- Sandage, C.H., Fryburger, V.R. (2000). *Advertising Theory and practice*(11<sup>th</sup> ed.). New Delhi : AITBS Publishers and Distributors.
- Sontakki, C.N. (1989).*Advertisin*(1<sup>st</sup> ed.). New Delhi: Kalyani Publishers.
- Schiffman, L.G. and Kanuk, L. (1997). *Consumer Behaviour*(6<sup>th</sup> ed.). New Delhi: Prentice- Hall of India (Pvt.) Ltd.
- Shrestha, K.N. and Manandhar, K.D. (2000). *Statistics and Quantities Techniques for Management*(3<sup>rd</sup> ed.). Kathmandu: Valley Publishers.
- Stanton, W.J. (1985).*Fundamental of Marketing*(5<sup>th</sup> ed.). New York: Mc Graw Hill.
- Taylor, M. (1991). *Getting the Message Across*, Victoria: VCTA Publishing Pvt., Ltd., Australia.
- Wolff, H.K. and Pant, P. R. (2010). *A Handbook for Social Science Research and Thesis Writing*(5<sup>th</sup> ed.). Kathmandu: Buddha Academic Enterprises Pvt. Ltd.

### **Magazines, Journals, Reports, Articles and Government Publications**

- Agrawal, N. (2003, August). *How Brands Influence People*, Business Age .
- Agrawal, N. (2003, September). *One can Develop their own Successful Brand Strategy*, Business Age.
- Brochure(2003). Kathmandu: Nepal Television.
- Business Age (2000, Dec.). *Welcome Ad., Welcome MNCS*.
- Dahal, M. (2049). *Nepalma Bigyapan Byabasaya*, Smarika.
- Dhungana, N. (2002, Jan.). *Advertising Business, Looking of Silver Lining*, Business Age.
- Koirala, R. (2060, Baisakh). *Belama Bigyapan*, Kantipur Daily.
- Lamsal, M. (1999, May). *Market Competition is everything fair?* Business age.
- Nepal, K. and Humagai, M. (2003). *Ramra Bigyapan Ramro Bhabisya*, Himal.
- Nepal Television Viewer Survey* (2003). Centre for Economic Development and Administration (CEDA), Kathmandu.
- Pollay, R.W. (1960-1980). *The Subsiding Sizzl, A Descriptive History of print Advertising*.
- Pradhan, D. (2049). *Nepalma Bigyapan Byabasaya*, Smarika (AAAN).
- Rate Card* (2059). Gorkhapatra Corporation, Kathmandu.

*Rate Card*, (2060). Kantipur Publication and Asia- Pacific Communication Associates Nepal Pvt., Ltd.

*Rate Card* (2002). Nepal Television.

*Rate Card* (2003, August). Radio Nepal.

Shrestha, S. (2060, Mansir). *Brand Loyalty*, Kantipur Daily.

*Statistical Pocket Book* (2004). *Central Bureau of Statistics*, Kathmandu: Nepal.

*The Annual Report of AAAN*, (2004). Kathmandu

*The Industrial Enterprise Act*, (2049).

Wagle, A.(2003, June). *Completing Advertisements*, Business Age.

## **Dissertations**

Aryal, B.R. (2000). *An Examination of Female role portrayal in Print Advertising*. Unpublished Master's thesis, Central Department of Management, Tribhuvan University.

Baral, L. P. (1996). *A comparative Study on the Communication Effects of Advertising and Brand Preference*. Unpublished Master's thesis, Central Department of Management, Tribhuvan University.

Ghimire, R.B. (2000). *Advertising Through Television: Impact on Consumer Behaviour*. Unpublished Master's thesis, Central Department of Management, Tribhuvan University.

Giri, R.P. (1985). *A Study on Communication Effect of Advertising and Brand Preference of Instant Noodles*. Unpublished Master's thesis, Central Department of Management, Tribhuvan University.

Nepal, D. (2003). *A Study on Brand Loyalty of the Nepalese Consumers*. Unpublished Master's thesis, Central Department of Management, Tribhuvan University.

Pant, Y. (1993). *A Study on Brand Loyalty*. Unpublished Master's thesis, Central Department of Management, Tribhuvan University.

Sharma, G.R. (1996). *A Study on Movies-Stars Endorsement in Advertising*. Unpublished Master's thesis, Central Department of Management, Tribhuvan University.

- Shrestha, R. K. (1997). *The Role of Advertising in Brand Choice and product Positioning*. Unpublished Master's thesis, Central Department of Management, Tribhuvan University.
- Thakur, B. K. (2001). *The role of Advertising in Brand Loyalty*. Unpublished Master's thesis, Central Department of Management, Tribhuvan University.
- Thapa, N. (2003). *Role of Television Advertising and Its Impact on Consumer Behaviour*. Unpublished Master's thesis, Central Department of Management, Tribhuvan University.
- Timilsina, J. (1999). *A Study on Buyer's Behaviour of Indian Gorkhas and Local People*. Unpublished Master's thesis, Central Department of Management, Tribhuvan University.
- Updhaya, S. K. (1981). *Radio Advertising and Its Impact on purchasing Act in Consumer Goods*. Unpublished Master's thesis, Central Department of Management, Tribhuvan University.

## **WEB SITES**

- [http://www.business\\_agenepal.com](http://www.business_agenepal.com)
- <http://www.can.org.np>
- <http://www.encyclopedia.com>
- <http://www.google.com>
- <http://www.prenhall.com>
- <http://www.shangri-la.com>

## APPENDICES

### "Advertising Impact on Brand Choice and Brand Loyalty"

Hello! My name is Sunita Nepal. I am a student of MBS on Shaheed Smriti Multiple College, Ratanagar, Chitwan and I am conducting a survey to measure the " advertising impact on Brand choice and Brand loyalty" as part of MBS course. Would you give me a few minutes to answer some questions? I assure you that your answer will be kept completely confidential.

1. Have you seen/ read/ heard the advertisement of toothpaste?

- a) Yes [  ]    b) No [  ]

If yes, from which medium you have known about the advertisement of product? ( Please tick at one or more)

- a) Newspaper [  ]. b) Magazines[  ]. c) Television [  ]. d)Radio/F.M. [  ].  
e) Outdoor/Hooding [  ]. f) others [  ].

2. Who decides which brand of toothpaste is to be bought?

- a) Myself [  ]    b) Family members [  ]  
c) Servant [  ]    d) Any other [  ]

3. Among the following factors, which factors do you consider in buying the toothpaste?

Could you rank them in order of importance? (Most into 1 and lest into 7)

Toothpaste	Rank
a) Availability	[ <input type="checkbox"/> ]
b) Advertising	[ <input type="checkbox"/> ]
c) Price	[ <input type="checkbox"/> ]
d) Quality	[ <input type="checkbox"/> ]
e) Sales schemes	[ <input type="checkbox"/> ]
f) Taste	[ <input type="checkbox"/> ]
g) Any other factor	[ <input type="checkbox"/> ]

4. What brand of toothpaste you usually buy? Could you place them in order of your choice?

- a) 1<sup>st</sup> choice .....
- b) 2<sup>nd</sup> choice .....

5. What do you fell that the advertisement for your most preferred brand is .....

- a) Informative    b) Entertaining

- c) Persuasive d) Reminding the product/Brand
6. Do you believe, what is sad in the advertisement for your brand? Toothpaste
- a) I believe fully [ ]
- b) I believe to some extent [ ]
- c) I don't know [ ]
- d) I don't believe so much [ ]
- e) I don't believe at all [ ]
7. Advertising has an impact on choosing the toothpaste brand?
- a) Yes [ ]      b) No [ ]      c) Don't know [ ]
- If yes, how much advertising is responsible for choosing a particular toothpaste brand?
- a) Advertising is fully responsible [ ]
- b) Advertising is responsible to some extent [ ]
- c) I don't know [ ]
- d) Advertising played not much role [ ]
- e) Advertising played no role at all [ ]
8. Which brand's advertising do you prefer the most? ( Please tick at one) Toothpaste
- a) Close up [ ]      b) Pepsodent [ ]      c) Dabur Red
- d) Colgate [ ]      e) Anchor [ ]
9. Which medium do you prefer among the following medium for toothpaste brand advertising? (Please tick one)
- a) Newspaper [ ]      b) Magazine [ ]
- c) Television [ ]      d) Radio/ FM [ ]
- e) Outdoor/ Hoarding [ ]      f) others [ ]
10. What benefits do you prefer to buy toothpaste? Could you rank them in order importance? ( Most into 1 and least into 5)
- a) Pleasant flavor [ ]      b) Avid tooth decay [ ]
- c) Brighter teeth [ ]      d) Stronger Gum [ ]
- e) Economy [ ]
11. How long have you been using the current brand? Toothpaste
- a) Less than 1 year [ ]      b) 1-3 years [ ]      c) More than 3 years [ ]
12. To what extent advertising is responsible for staying in the current brand?
- a) Advertising is fully responsible [ ]
- b) Advertising is responsible to some extent [ ]

- c) I don't know [ ]
  - d) Advertising [ ]
  - e) Advertising played brands? [ ]
13. What were your previous brands?
- a) Most recent .....
  - b) Before that .....
14. To what extent advertising played its role in change of your brand?
- a) Advertising is fully responsible [ ]
  - b) Advertising is responsible to some extent [ ]
  - c) I don't know [ ]
  - d) Advertising played not much role [ ]
  - e) Advertising played no role at all [ ]
15. Demographic profile of respondent
- a) Name of respondent .....
  - b) Gender : Male [ ] Female [ ]
- Which of the these categories best describes your age ?
- i) 16-30 years of age [ ]
  - ii) 31-45 years of age [ ]
  - iii) 46 or over [ ]
- d) What is your occupation? .....
  - e) Which of these categories best describes your education background?
- i) Below SLC [ ]
  - ii) SLC [ ]
  - iii) Intermediate [ ]
  - iv) Graduate [ ]
  - v) Post graduate/ Above [ ]

**THANKS RESPONDENT FOR PARTICIPATING**